OPEN POWER FOR A BRIGHTER FUTURE.

WE EMPOWER SUSTAINABLE PROGRESS.

SUSTAINABILITY REPORT 2020

Consolidated Non-Financial Statement prepared in accordance with Italian Legislative Decree 254/16_year 2020

Global Compact LEAD 2020 PARTICIPANT

OPEN POWER FOR A BRIGHTER FUTURE.

SUSTAINABILITY REPORT 2020

FUTURE

Consolidated Non-financial Statement prepared in accordance with Italian Legislative Decree 254/16_year 2020

Michele Crisostomo

Chairman

Francesco Starace

Chief Executive Officer
and General Manager

WE EMPOWER SUSTAINABLE PROGRESS.

Letter to stakeholders

enel

Dear stakeholders,

| 102-14 |

A difficult year like 2020, dominated by a world health emergency, has catapulted our company into the future, acting as an accelerator of key energy transition related trends: decarbonization, electrification, and digitalization. The most sustainable companies showed the highest levels of flexibility and competitiveness, while maintaining a lower risk profile. It became clear that sustainable progress opens the way to more growth opportunities for companies and greater resilience in the face of sudden disruptions, with a lower risk profile for shareholders.

Within this context, at Enel we see innovation and sustainability as inseparable parts of the same motive force, while preserving the spirit of service and care for the society in which we operate as critical components of our DNA. We are part of the landscape and an essential element in the lives of people, businesses, and society at large. Our journey started out bringing light to homes and enabling development by making electricity available to businesses. We opened up to new technologies, new partnership models, new ways of using energy, thus fully engaging all our stakeholders to create a more sustainable future together.

This approach has allowed us to become the biggest private operator in the renewable energy sector as well as the largest private electricity distribution company with the most advanced level of network digitalization, and to manage the most extensive retail customer base, for energy and gas, of any private company in the world. We generate, distribute, and sell electricity in an ever more sustainable manner, ensuring no one gets left behind. We engage our stakeholders to keep them increasingly in touch with our business, making them an integral part of our sustainable business model.

In such a period of change, with all players involved moving at different speeds and many new variables to contend with, there must be a clear and far-reaching strategic vision as well as planning abilities in line with the UN Sustainable Development Goals. An enduringly sustainable company creates value because its actions and offering are in line with the future demands of the intrinsically sustainable stakeholders of tomorrow. For this reason we decided to release, for the first time, a 10-year plan clearly describing our long-term vision and the utility company we aim to become in the coming years.

The ongoing decarbonization process means that we will soon start using electricity even in all those sectors that currently rely heavily on fossil fuels, further cementing our commitment to digitalization and the search for innovative solutions to electrify end uses. At the same time, our physical infrastructure will become increasingly exposed to climate change related phenomena including flooding, drought, scorching heat and severe cold. We aim to take on these challenges by increasing the safety and resilience of our plants and networks so we can continue to guarantee high levels of service quality and reliability for our customers, who are more and more aware that electricity today is the simplest and most natural choice to make a direct personal contribution to a sustainable future.

Innovation and circular economy are emphasized throughout all activities across our value chain, introducing the concept of sustainability starting from the design phase. We will reduce direct CO_2 emissions by 80% within 2030 versus 2017 levels, as certified by the Science Based Targets initiative, reaching carbon neutrality within 2050.

The primary actors in our strategy are people, with their innovative skills and digital mindset: they must be given a guarantee of sustainable growth and the adoption of circularity principles. Circularity means enhancing existing potential in new directions by way of reskilling and upskilling programs. A new *modus operandi*, enhancing relationships, trust, and respect for the talent of each individual, without relaxing our goal-centered focus.

The strategic partners in Enel's growth process include our suppliers, who have displayed quick reactions and an exceptional ability to reorganize in order to meet demands arising during the year-long pandemic. We view our suppliers as fellow travelers as we set out on a path characterized by increasing levels of research into innovation and sustainability in every aspect of our future collaboration.

The result is that today we are applying sustainability-based thinking to all areas of our business, also in the financial sphere. Our leadership in this area is recognized worldwide thanks also to the Group's presence in various prestigious ratings, indices, and sustainability rankings.

The key elements include sustainability measurement throughout the entire value chain using specific metrics, and the definition of ever more ambitious goals, not merely to document results achieved, but above all to anticipate decisions and develop a proactive stance. An account of sustainability that not only portrays past events but allows us to travel through time to glimpse the Enel of the future.

By making a joint commitment we can follow a sustainable path that will make our company and surrounding communities more prosperous, inclusive, sustainable, and resilient.

ENEL IS OPEN POWER

VISION

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

POSITIONING

Open power

PURPOSE

Open power for a brighter future.

We empower sustainable progress.

MISSION

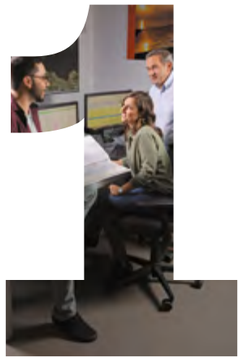
- Open access to electricity for more people.
- Open the world of energy to new tecnology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

PRINCIPLES OF CONDUCT

- Make desitions in daily activities and take responsability for them.
- Share information, being willing to collaborate and open to the contribution of others.
- Follow trough 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 pro-actively 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 affectively 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



COMPANY VIEW

AT A GLANCE

TOPIC VIEW

OUR ESG PERFORMANCE

Energy transition

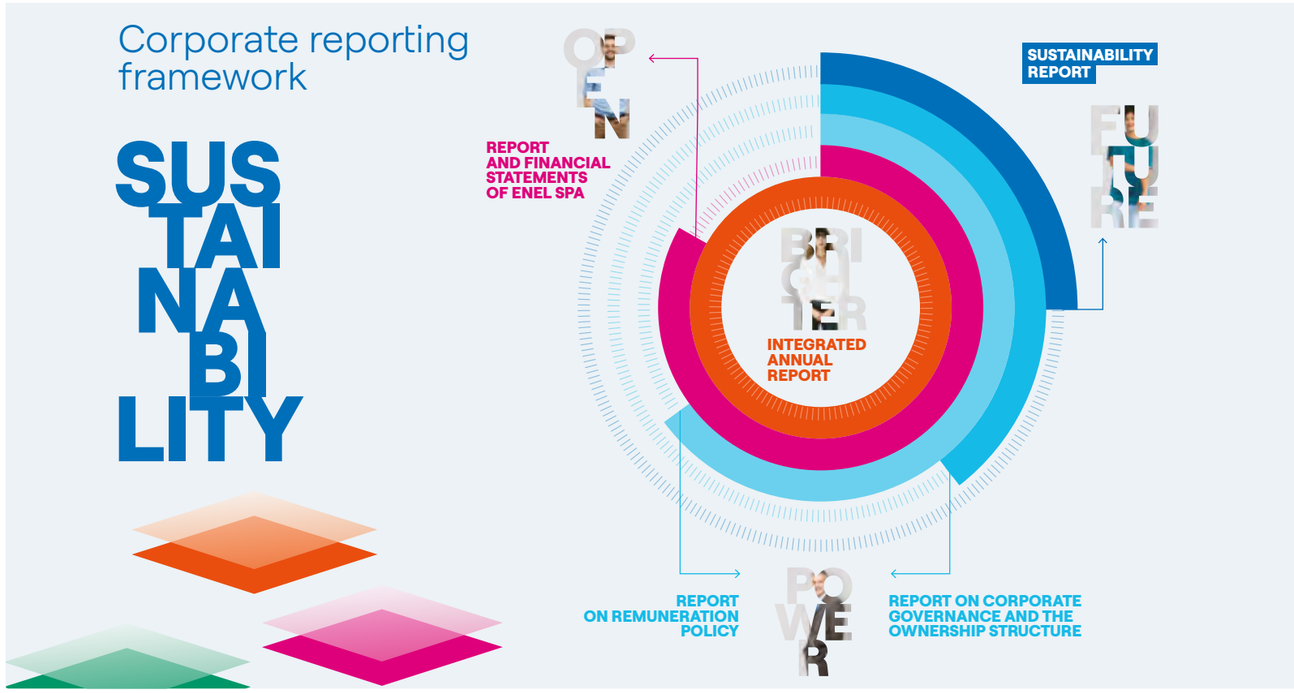
People centricity

Growth accelerators

ESG backbones

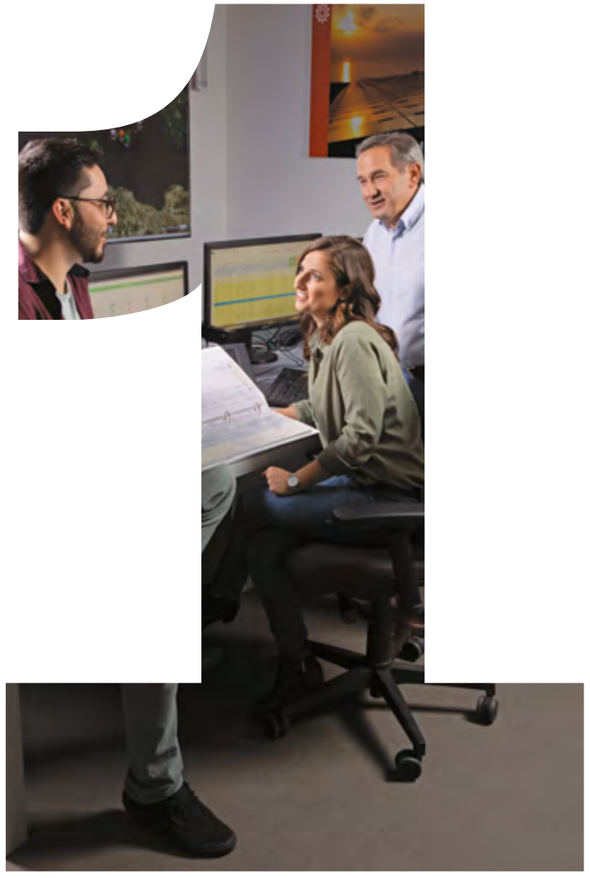
TREND TOPIC

APPENDIX



1 AT A GLANCE

- We are a leading energy group with a **sustainable business model** that creates **long-term value for all stakeholders**
- We approach every aspect of our business, including **finance**, in a sustainable, **innovative** and **circular** way
- We set the priorities that underpin our strategy, commitment and reporting through a structured **materiality analysis** process and the continuous and direct involvement of our stakeholders
- **Our strategy** makes sustainability the focus, with a view to achieving the **UN Sustainable Development Goals**



OUR SUSTAINABLE BUSINESS MODEL AND VALUE CREATION

| 102-2 | 102-4 | 102-5 | 102-6 | 102-7 | 102-15 | 201-1 | 303-1 | 303-3 | 305-1 | 401-1 | 404-1 | 405-1 | EU1 | EU2 | EU3 | EU4 |

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. Our strategy, which is centered on **sustainability**, has allowed us to confirm our leadership in the energy transition in 2020, creating value for all stakeholders and continuing to contribute to the achievement of the **United Nations' Sustainable Development Goals (SDGs)**.

By exploiting **synergies** between the various business areas, taking actions by leveraging **innovation**, implementing **Open Power** behaviors, we promote solutions to reduce environmental impact and meet the requirements of **customers** and the **local communities** in which we operate, with a commitment to guaranteeing high safety standards for the **people** who work in the company and its **contractors**. We are therefore able to meet the new challenges of the energy transition process, not simply by reacting to risks, but by embracing all the opportunities **leaving no one behind**. This approach is conducive to detecting the faint signals that will turn into future trends.

The resources

PEOPLE

66,717 Enel people
21.5% women
40.9 training hours per employee
157,940 contractor company people (FTE)

PLANET

51.5 Mm³ total water withdrawal
22.9% withdrawal in water stressed areas
23.9 Mtep energy consumption
1,300 ha of protected areas

PROSPERITY

84.0 GW net efficient installed capacity
53.6% net efficient installed renewable capacity
2.2 mil km of network
69.5 mil retail customers
74.3 mil end users
44.3 mil end users with active smart meters
105.2 thousand charging points(1)
123 MW storage
6.0 GW demand response
10,197 mil euros Capex
94% Capex low carbon
80% Capex Eligible European Taxonomy
837 patents for inventions, of which **692** awarded

ESG context

Macrotrends, Risks and Opportunities

Open Power – Openness is the key element of our strategy

PURPOSE | VISION | MISSION | VALUES

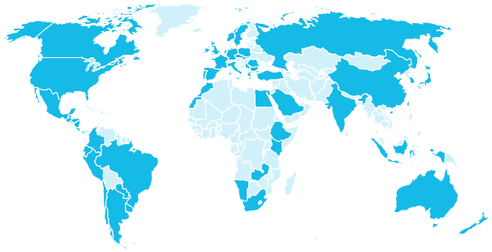
We are a global leader in the energy sector

We are integrated along the entire value chain

PRESENCE

47 Countries

more than **1,000** subsidiaries



VALUE CHAIN

GLOBAL BUSINESS LINE

Generation | Trading (wholesale) | Distribution | Market (end customer)

We create long-term value for all stakeholders

SUSTAINABLE VALUE CREATION IN THE LONG TERM

SUSTAINABLE DEVELOPMENT ALONG THE ENTIRE VALUE CHAIN

PRINCIPLE OF GOVERNANCE 44% women on the Board of Directors | **151** reports concerning the Code of Ethics (of which 26 violations)

The outputs and created value

PEOPLE

0.52 injury frequency rate combined
29.4% women managers + middle managers
5.6% turnover rate
15.1 mil beneficiaries (projects SDG 4, 7, 8)(2)

PLANET

214 gCO_{2eq}/kWh specific emissions Scope 1
97.9 mil t CO_{2eq} (Scope 1, 2, 3)
20.4 Mm³ total water consumption
31.6% consumption in water stressed areas
65.7% waste recovery
187 biodiversity projects

PROSPERITY

2.9 GW renewable additional net maximum capacity(3)
484.6 TWh transported electricity
298.2 TWh sold electricity
259 min SAIDI
23.0 mil euros gross global added value
65.0 bil euros revenues
17.9 bil euros Ordinary EBITDA
87% EBITDA low carbon
64% EBITDA elegible European Taxonomy
16,100 mil euros total tax contribution
4,755 mil euros dividends paid and purchase of treasury shares
32 innovative solutions adopted by the business

(1) Public and private charging points installed. Including interoperability points, the value is 186,000.
(2) Cumulative figures since 2015.
(3) The value does not include managed capacity, the overall value including managed capacity is 3.1 GW.

Macrotrends, risks and opportunities define 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. The growth engine is our **sustainable business model,** which leverages the various **input resources**, divided into three macro categories (**people, planet and prosperity**) and converts them into outputs through the various company activities. We operate all along the value chain through specific Business Lines (Global Power Generation, Global Infrastructure and Networks, Enel X and Global Trading), assisted by Global Service Functions (Procurement and Digital Solutions) and Staff Functions (Administration, Finance and Control, Innovation and Sustainability, People and Organization, Communication, Legal and Corporate Affairs, Audit) with every country operating in its respective area of competence by applying the Business Lines matrix. The organization's activities and outputs allow it to **create value in the short, medium and long term for the various stakeholders**. **An integrated thinking and decision-making process that combines economic, financial, environmental and social sustainability.**

The **2020 results** highlight our strong commitment to sustainable growth, as demonstrated by the **more than 10 billion euros** invested during the year. Our investments are directed towards achieving a sustainable and integrated business model based on renewables, distribution and advanced energy services, leveraging the primary role of digitalization and platforms. This approach is aimed at accelerating growth both through the 'Ownership' model, which is based on direct investments, and through the 'Stewardship' model, which involves third parties. In addition to promoting growth in the areas where we operate, this has allowed us to further accelerate the decarbonization of the Group's production mix.

In particular, production from renewable sources exceeded that from conventional sources, growing to 53%[1], and coal-fired generation fell drastically by 65%, with a consequent reduction in specific Scope 1 emissions to 214 gCO_{2eq}/kWh (-28% compared to 2019). In terms of capacity, the Group also installed 3.1 GW[2] of additional renewable power and reduced coal-fired capacity by 2.8 GW. Enel is aware of the great importance that **digitalization** plays in each activity of its value chain and therefore further increased the percentage of its generation plants integrated into the dedicated information system to more than 89% in terms of the number of plants and the 94% in terms of capacity.

As regards infrastructure and the respective digitalization, the Group achieved excellent results as for **service quality improvement**, with a 12% reduction compared to 2019 in the SAIDI indicator of the average duration of outages. 44.3 million out of Enel's 74.3 million end users are now equipped with an active smart meter, which equates to a 60% coverage. In order to increasingly promote **consumption electrification**, the spread of new services and products continued, including charging points for electric mobility, of which there are now over 186,000[3].

One of the fundamental levers for achieving these important results is of course the **66,717 people who work at the Company**, who benefit from many **development and training programs**, 60% of them focused on upskilling and reskilling, in order to better manage and support the energy transition. Women account for 21.5% of the Company's total workforce, and, thanks to the specific attention paid to diversity, which aims to enhance resources even before their entry into the Company, in 2020 the percentage of female managers and middle managers grew to 29.4%. Thanks to the consistent attention paid to **health and safety**, the combined accident frequency index for Enel and contractor employees fell further compared to previous years (0.52 in 2020 vs 0.73 in 2019). 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), reaching over 15 million beneficiaries since 2015.

Important results were also achieved in terms of **environmental sustainability** through a reduction of all other polluting emissions, water requirements and waste produced, which led to the previous objectives set for 2030 being exceeded and therefore redefined. By reducing its consumption of materials and energy and paying increasing attention to the circularity of resources, the Group is reducing its overall footprint in environmental terms.

Progress achieved in the responsible management of the **supply chain** and **sound governance** continue to provide strong foundations for the strategic model. **Innovation** and **digitalization** dominate every process in the value chain and are accelerating growth in the various areas.

A leadership in sustainability that is therefore recognized internationally, particularly thanks to the Group's presence in several important **sustainability ratings, indices and rankings**, including the MSCI AAA rating and confirmation of its inclusion in the MSCI ESG Leaders Indices, the Dow Jones World and Europe sustainability indices, the CDP Climate "A" List rating, the Vigeo-Eiris rating, in which the Group is now ranked first across all sectors and received confirmation of its Euronext Vigeo-Eiris 120 rating, the Refinitiv ESG rating and the FTSE4Good index, both of which have confirmed it as an industry leader. Furthermore, for the first time, Enel was included in the three main indices that monitor company performance on gender diversity (Bloomberg Gender Equality Index, Refinitiv Top 100 Diversity and Inclusion Index, Equileap Gender Equality Top 100 ranking).

Despite the financial crisis, the **financial results** also show how the Group carried on growing by continuing to generate value. In particular, 2020 ended with an ordinary **EBITDA** of 17.9 billion euros, in line with the previous year's results. The ordinary net profit, on which the dividend is calculated, reached 5.2 billion euros, up 8% compared to the previous year. The **dividend** for 2020 amounts to around 36 euro cents per share, up 8% on 2019. The **FFO to net debt ratio**, a financial strength indicator, reached 25% by the end of the year. The **net debt** is 45.4 billion euros, lower than the forecasts previously issued to the market. The total tax contribution was around **16,100 million euros**, a significant value that highlights the importance of the Group's tax contribution to the communities in which it operates as a support for their stability and resilience.

Our solid economic and sustainability-related performance reinforce market confidence in us. This is demonstrated by the 17% increase in value that the Enel stock recorded during the year, outperforming both the sector index (Euro Stoxx Utilities: +10%) and the Italian one (FTSE MIB: -5%). **In 2020 we were confirmed as the first European utility by market capitalization and the second in the world**.

(1) Includes managed production.

(2) Includes managed capacity. The value of the consolidated additional renewable capacity is equal to 2.9 GW.

(3) Public and private charging points. Includes interoperability points, net of which there are 105 thousand charging points installed at the end of 2020.

> The challenge is not to communicate individual sustainable projects, but to get people to understand that, for us, sustainability lies at the foundation of all we do, and is central to our strategy.

Roberto Deambrogio

Communications

Why is it important for our stakeholders?

The Group's value is linked to its ability to operate in a sustainable way and to be at the service of the community. Sustainability allows us to work better on all fronts and to create greater value for the Company and for our stakeholders.

Why is it important for Enel?

Sustainability is our distinguishing feature, the beacon that allows us to lead the energy transition. This approach sets us apart in the ecosystem in which we operate, and makes us both unique and a global leader.

Covid-19: our response

In order to deal with the emergency linked to Covid-19, Enel responded quickly and in a determined way to minimize the spread of the infection while at the same time guaranteeing the operation and provision of services in the countries where it operates[4].

We have worked from the beginning to support the communities in which we operate, our customers, our people and all those who work with us, in order to contribute to the economic and social recovery and the creation of shared value with all our stakeholders.

WITH A GLOBAL TASKFORCE WE COORDINATE ACTIONS TO ACT PROMPTLY

A global task force has been established to coordinate and direct initiatives in the countries where we operate. The task force works in synergy with the Global Business Lines and is responsible for providing official instructions so that, through dedicated task forces, each country is able to manage any type of emergency locally. Enel is constantly updated on information relating to Covid-19 and strives to take preventive measures and any initiative that may be necessary.

WE SUPPORT THE TERRITORIES AND COMMUNITIES IN WHICH WE OPERATE

Enel is committed to taking measures to support the main organizations involved in providing health and social care to help the territories and communities where it operates every day. Around **450 sustainability projects** have been developed in two areas of intervention:

- containment of the health emergency with initiatives to support hospitals and front line assistance to citizens;
- support for the economic revitalization of communities, through programs to support food security, development of micro-entrepreneurship, services dedicated to vulnerable customers and distance vocational and educational training.

In Italy, through Enel Cuore, Enel has supported the organizations working on the front line to deal with the emergency, making a contribution of 23 million euros to the Civil Defense Department, health facilities, non-profit organizations, local administrations throughout the Country[5].

A new free solution called "**City Analytics Mobility Map**" was also launched that uses daily mobility statistics to support public administrations in verifying the effectiveness of mobility restriction policies to combat Covid-19 and in defining data driven strategies. for the new phase of normality.

WE ARE COMMITTED TO GUARANTEEING CONTINUITY OF SERVICE AND CUSTOMER CARE, PARTICULARLY BY INCREASING INNOVATION AND DIGITALIZATION

Enel faced 2020 with distinctive resilience by continuing on a path taken several years ago that is focused on adopting a cloud computing approach and which allowed the company to overcome the disruption by relying on a modern and flexible structure. Enel also carried out several simulations, tests, and checks on its infrastructure without encountering any problems in its normal operations. In view of the potential developments in the situation, incremental measures are planned for energy generation and distribution networks, aimed at ensuring the provision of services and the safety of national electricity systems.

Communication channels had to adapt to the new way of working from home, ensuring the efficiency and effectiveness of the relationship between Enel and its customers. Thanks to a globally coordinated effort, based on promoting digital channels, various measures were successfully taken to meet the growing needs of customers while complying with travel restrictions and social distancing requirements.

Among the various projects, Brazil launched #JuntosNaMesmaEnergia, a package of initiatives including video lessons and seminars through the Enel Shares platform, including guidelines for responsible energy consumption and safety advice relating to the electricity grid during isolation.

WE WORK WITH SUPPLIERS

Activities that would require physical interaction between Enel and suppliers are now conducted remotely (e.g. site inspections at the company) and safety measures for contractors' staff have been strengthened.

WE ALWAYS SUPPORT OUR PEOPLE

Enel has implemented continuous **smart working** until further notice in all countries and for all its employees whose work can be done from home, with the sole exception of activities that cannot be carried out remotely, especially those required to ensure the provision of services and the safety of national electricity systems. As of the end of February 2020, all international trips have been canceled, with the exception of transfers needed to ensure the provision of services. All international events and training courses are carried out using non-face-to-face attendance tools to ensure the Company's operations.

A **global insurance policy** covering all employees in the event of hospitalization due to Covid-19 infection was taken out and renewed for 2021. This is the first insurance intervention in the world aimed at providing global support to cope with the pandemic.

In order to provide emotional support to people during the Covid-19 emergency, a free listening and **psychological support** service was activated from the very beginning in the Group's main countries. Furthermore, in order to promote well-being, the **#IWorkWellFromHome** video-manifesto was created and disseminated via a dedicated communication campaign, with suggestions on how to manage remote work times more easily, encourage inclusion and delegation, physical and relational well-being and work-life balance and counteract hyper-connection.

The pandemic has also led to a further increase in cyber-attacks all over the world. Apart from the constant adoption and application of the **cyber security** strategy, Enel has developed special measures, aware of the fact that the cyber risk is 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. A policy was drawn up that provides an articulated code of conduct addressed to all Enel people, to safeguard their digital identity, allow them to act safely in the world of social media and, when necessary, send notifications concerning potential incidents and request assistance.

Enel's openinnovability.com crowdsourcing platform was also used to launch 17 challenges relevant to the health emergency linked to the Covid-19 pandemic. In particular, while the world has begun to define a new normality, Enel has launched the global "**ReShape**" challenge, with the aim of identifying innovative solutions for the future of energy and to face emerging needs.

Finally, the remuneration policy for 2020 establishes a new performance target for the Chief Executive Officer/General Manager and executives with strategic responsibilities (ESR), as part of the short-term variable component ("**MBO**"), which measures the ability of the Group to manage company activities remotely, where possible, guaranteeing continuity of service and excellent standards of operational efficiency.

(4) For further information on the actions and interventions implemented by the Group to deal with the impacts deriving from the Covid-19 emergency, please refer to the individual chapters. Additionally, for further information on the impacts of Covid-19 on financial performance, please refer to the relevant paragraphs on the Group performance in the Report on Operations and in note 5 of Enel's Consolidated Annual Financial Report.

(5) Further information can be found in the Public disbursements - Disclosure pursuant to article 1, paragraphs 125-129, Law no. 124/2017.

Sustainability governance and our involvement in the leading associations

| 102-18 | 102-19 | 102-20 | 102-26 | 102-29 | 102-32 |

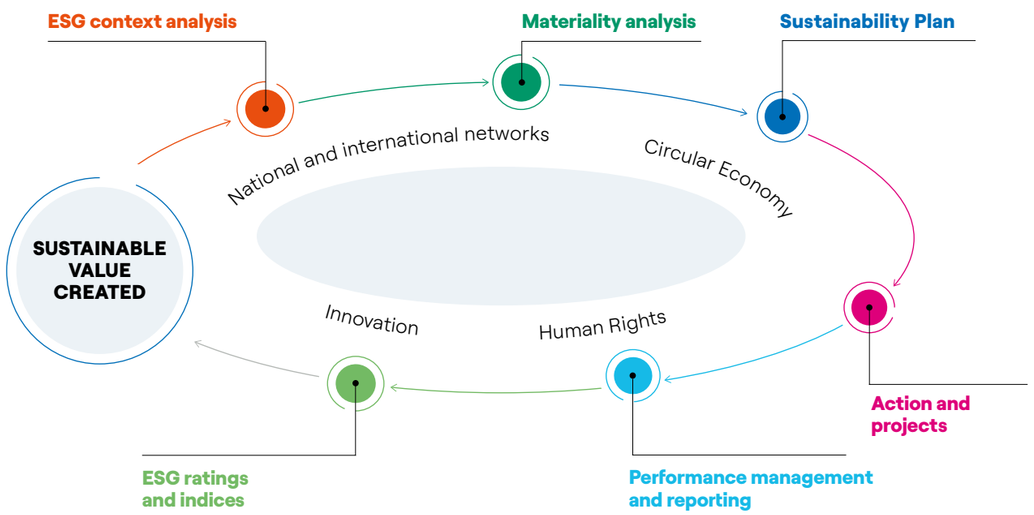
Our governance structure is inspired by international best practices and permeates the various business, decision-making and operational processes along the entire value chain, in order to create long-term sustainable value for the Company and for all our stakeholders.

Integrating ESG factors in the Company's operation

The integration of environmental, social and governance factors is guaranteed by means of structured processes across the whole Group that involve sustainability context analysis, identification of priorities for the Company and its stakeholders, sustainability planning, execution of specific actions to support sustainability objectives, reporting and management of ESG ratings and sustainability indices, as well as the management of the main national and international sustainability networks.

A key element of the outlined approach is the **adoption of ESG** (Environmental, Social and Governance) **sustainability indicators** throughout the entire chain of value, not merely for the assessment of the results achieved, but above all to anticipate decisions and guide our actions. Enel has an ongoing commitment to the management and measurement of its performance in terms of all relevant aspects, addressing economic, business and ESG issues in reporting its operations and defining the objectives underpinning its 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. With the Enel Chief Executive Officer sitting on the Global Compact Board of Directors, absolute compliance with these requirements is further guaranteed.

During 2020, Enel was a member of two working groups set up by the **European Financial Reporting Advisory Group** (EFRAG), one of them being the "Project task force on climate-related reporting", which ended with the presentation of a report entitled "How to improve climate-related reporting" in February 2020. The main aim was to analyze and identify good corporate reporting practices as regards both the financial impacts of climate risk on companies and the impact of the activities of companies on the environment (known as double materiality) taking into consideration the needs of users and those who prepare the reports. The collaboration with EFRAG continued through the Company's involvement in the work of the "Project task force on preparatory work for the elaboration of possible EU non-financial reporting standards". The task force is responding to an official request for technical advice from the European Commission for the development of potential non-financial reporting standards which could be part of a review of the European directive on non-financial information. Furthermore, also in 2020, Enel became a member of the **Global Sustainability Standards Board**, the independent body that has the exclusive responsibility of developing and issuing the GRI Standards..



The Enel governance model for sustainability

The organizational and corporate governance model defines specific tasks and responsibilities for which the Company's main governance bodies are responsible, guaranteeing that sustainability issues are appropriately taken into consideration during all important company decision-making processes.

- The **Board of Directors** examines and approves the strategic, industrial, and financial plans, including the annual budget and the Group Business Plan, which incorporate the principal guidelines to promote a sustainable business model and lay the basis for long-term value creation. The Board is responsible for approving the Sustainability Report, which constitutes the Consolidated Non-Financial Statement (NFS) pursuant to Legislative Decree 254/16, after consulting the Control and Risks Committee and the Corporate Governance and Sustainability Committee. With regard to sustainability, during 2020 it dealt with a number of issues related to the **climate** and to promoting **diversity**, with reference to both **disability** and **gender**. Finally, at each meeting held since the end of February 2020, it received updates on the impacts of the **Covid-19** pandemic in the countries where the Group operates.
- Among other aspects, the **Corporate Governance and Sustainability Committee** monitors the sustainability issues associated with the Company's activities and its interaction with stakeholders, examines the Sustainability Plan guidelines and how sustainability policy is implemented, monitors Enel's ranking in the main sustainability ratings, and examines the layout of the Sustainability Report and the structure of its contents, as well as the completeness and transparency of the disclosures supplied by the documents in question, examining the Company's main rules and procedures that are relevant to stakeholders.
- The responsibilities of the **Control and Risks Committee** include examining the contents of the Sustainability Report that are relevant to the Internal Control and Risk Management System, and the main corporate rules and procedures linked to the Internal Control and Risk Management System that have a significant impact on stakeholders.
- The **Nomination and Compensation Committee** is tasked with supporting – with adequate preliminary investigations – the Board of Directors' assessments and decision making on the size and composition of the Board itself, as well as on the remuneration of executive directors and key management personnel;
- By coordinating the activities of the Board of Directors, the **Chairman** of the Board of Directors, who currently also occupies the post of Chairman of the Corporate Governance and Sustainability Committee, performs a proactive role in the approval and supervision of the sustainability strategy.
- The **Chief Executive Officer and General Manager** is responsible for defining and implementing a sustainable business model, defining the guidelines for management of the energy transition, promoting a low carbon model and corporate practices that consider the needs of the various stakeholders. He represents Enel in various initiatives dealing with sustainability, holding relevant positions in institutions of international importance such as the United Nations Global Compact, as well as the Global Investors for Sustainable Development (GISD) Alliance launched by the United Nations in 2019.
- **The Innovability® (Innovation and Sustainability) Function**, which reports directly to the Chief Executive Officer, manages all activities related 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 Sustainability Planning and Performance Management and Human Rights Holding unit responsible for managing the sustainability planning, monitoring and reporting processes, and for the management of ESG ratings, sustainability indices and the Human Rights Policy, also reports to the Group CFO in order to guarantee the ever greater integration of these issues in corporate strategies and reporting.
- The **Global Business Lines**, **Countries**, **Global Service Functions** and **Holding Functions** integrate ESG factors into their decision-making and operating processes, to create sustainable value in the long term, 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.

ENEL'S PRESENCE IN THE MAIN ENERGY AND SUSTAINABILITY ASSOCIATIONS

| 102-12 | 102-13 |

1 - United Nations Global Compact
Enel has been a "Participant" member of the UN Global Compact since 2004 and in 2020 it was confirmed as one of its LEAD companies, thanks to its commitment and adherence to the 10 founding principles on human rights, labor standards, environmental protection, and the fight against corruption. In 2020, Enel took part in the "Sustainable Finance" Action Platform (with the co-presidency of the "CFO Taskforce for the SDGs"), "Climate Ambition", "Reporting on SDGs" and "Peace, Justice & Strong Institution", confirming its advanced level in submitting the Communication on Progress (CoP).
The Group is also a member of the Expert Network, while Enel's CEO is on his second mandate (2018-2021) as member of the organization's Board.
Finally, in 2020 Enel was among the signatories of the Statement "from business leaders for renewed global cooperation", promoted by the Platform on SDG 16 "Peace, Justice and Strong Institutions".

2 - Sustainable Energy for All
Since 2011, Enel has been a partner of Sustainable Energy for All (SEforALL), an international organization that collaborates with the United Nations and global leaders in the public and private sector for the advancement of SDG 7. In 2020, the Group CEO was appointed Chairman of the organization's Administrative Board, a position he will hold until 2023.
Finally, Enel will take part in the preparatory work for the High-level Dialogue on Energy, the first global energy summit to be held on the occasion of the 76th General Assembly of the United Nations in September 2021, of which SEforALL holds the co-presidency.

3 - 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 2020, Enel was among the main ambassadors of the European Pact 4 Sustainable Industry, inaugurated during the European SDG Summit and the result of the CEOs Call to Action, of which the Group was a pioneer.
Enel was also a promoter of the dialogue on the "Just Transition" and among the protagonists of the European SDG Summit, helping to organize four round tables on: the circular economy, sustainable finance, the just transition and the future of work, and the role of transparency and partnerships in driving the SDGs.

4 - World Business Council for Sustainable Development (WBCSD)
Since 2016, Enel has been a member of the World Business Council for Sustainable Development (WBCSD) and is represented both on the Board, of which the CEO is a member, and at Liaison Delegate level. In 2020, the Group maintained its commitment to numerous programs and projects including: Transforming the Built Environment and Transforming Urban Mobility.
Enel was also particularly active in the Energy Solutions project and in the Climate Action & Policy and SOS 1.5 projects: The Road to a Resilient, Zero-Carbon Future.

5 - Global Reporting Initiative (GRI)
As a member since 2006, since 2016 the Enel Group has been part of the Global Reporting Initiative (GRI) Community. In 2020, Enel joined the Global Sustainability Standards Board and maintained its commitment within the Corporate Leadership Group on Digital Reporting.
Furthermore, Enel and GRI have strengthened their partnership through an innovative form of collaboration that will end in 2021, with the dual objective of analyzing how corporate reporting has been influenced by the 2030 Agenda and the SDGs, and how strategic a role partnerships can play in accelerating and maximizing the impact of the private sector for achieving sustainability goals.

6 - International Integrated Reporting Council (IR)
Since its creation, Enel has participated in the International Integrated Reporting Council (IIRC) and in 2020, as a member of the <IR> Business Network, Enel participated in various working groups including the Integrated Thinking and Strategy Special Interest Group.

7 - Global Investors for Sustainable Development Alliance (GISD)
In 2020, Enel continued its commitment to the Global Investors for Sustainable Development (GISD) Alliance, an integral part of the UN Strategy for Financing the 2030 Agenda for Sustainable Development, of which the Group CEO is a member.
In order to defining specific sector metrics relating to the SDGs and their integration into the existing reporting frameworks, Enel has made its expertise available and established itself as leader for the "Utilities" sector in the dedicated task team.

8 - CEO Alliance for Europe's Recovery, Reform and Resilience
In 2020, Enel joined the new CEO Alliance for Europe's Recovery, Reform and Resilience, an initiative that represents companies from different sectors, committed to the implementation of the Paris Agreement and the goal of decarbonization. The CEO Alliance aims to support the European Commission's "Next Generation EU" to prepare the transformation towards a more resilient, digitalized, prosperous and sustainable Europe for future generations. As part of the initiative, Enel is involved in the Joint Project proposed by the companies in the alliance and is a champion of the E-Buses project led by Enel X.

9 - Consumers International
Enel continued the dialogue already started in 2019 with Consumers International. With the aim of creating a creative space for dialogue on consumers and the future of sustainable energy, Enel and Consumers International organized the first "Sustainable Energy: Insight Build Workshop".

10 - ESMT Berlin (CSBL)
In 2016, Enel joined the Sustainable Business Roundtable (SBRT) and in 2020 it participated in the two annual meetings focused on "Decarbonization" and "Impact Evaluation".

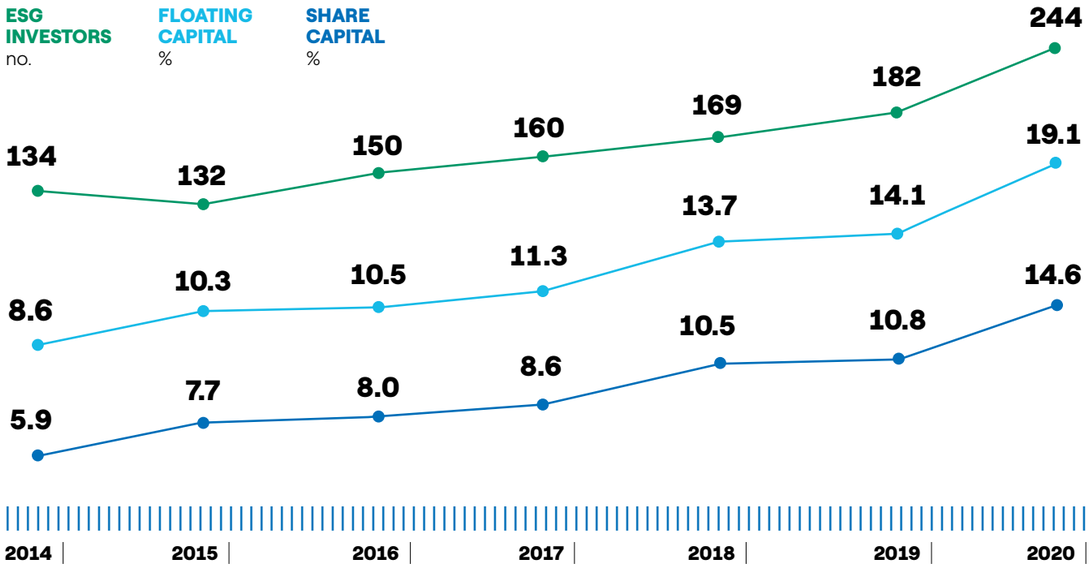
11 - S30
In 2020, Enel joined the S30 group of 30 Chief Sustainability Officers from companies that are global leaders in sustainability from various industrial sectors. The S30 is intended to lead and accelerate the industry-wide transition towards a sustainable future, focusing on nature, people and the planet.

Sustainable finance, sustainability ratings and indices

Stock market: attracting institutional investors interested in sustainable investments

In 2020, investments with environmental, social and governance criteria continued to grow around the world. A substantial number of investors already integrate ESG issues in their investment portfolio in order to minimize financial risk and ensure higher returns. At the same time, the change in Enel's business model towards sustainable business practices has contributed to creating value by driving the energy transition. These two elements have contributed to attracting the attention of sustainability-oriented institutional investors, who have bought increasing amounts of the company's shares over the past five years. At the end of 2020, ESG (active and passive) investment funds accounted for 14.6% of Enel's capital and 19.1% of floating capital, more than twice the levels in 2014. In absolute terms, there are 244 investors with investment funds who in addition to considering the Group's financial performance, also look at the environmental, social and governance practices that Enel is integrating into its business strategy and in all activities along the entire value chain. Furthermore, again at the end of 2020, 47.8% 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



Bond market: sustainability-linked finance according to Enel

Mobilizing public and private capital to serve the sustainable strategy is of crucial importance for achieving the SDGs and for achieving the ambitious investment objectives set by the Strategic Plan that Enel communicated in November 2020.

2019 was a key year for Enel's sustainable finance strategy, with the launch of the first SDG-linked bonds in the world, with the interest rate dependent on the achievement of ambitious decarbonization objectives and on the strengthening of renewable generation, marking the start of the sustainability-linked bond market. To date, SDG-linked issues amount to 23 billion dollars[6]. Developing sustainable finance for Enel means pursuing a decrease in the cost of debt through transactions that link the Group's strategy to the interest rate charged on the debt contracted: an example of which is the bond issues that cost around 15 basis points less than conventional transactions.

This is why during 2020 Enel extended the sustainability-linked approach to all its debt instruments by publishing the "**Sustainability-Linked Financing Framework**", an all-encompassing document that governs the link between sustainability and loans, credit lines, commercial papers, and bond issues. Two Key Performance Indicators ("KPIs") were selected for the framework: reduction of Scope 1 greenhouse gases and increase in generation from renewable sources in accordance with SDG 13 "Action to combat climate change" and 7 "Affordable and clean energy". The associated targets are reviewed on an annual basis, in line with the Group's Strategic Plan.

In May 2020, Enel signed a 5 billion euro **sustainability-linked credit line**, followed by a 6 billion euro commercial paper program linked to SDG 7, the first of its kind in the world.

In October, the Group issued the world's first **sustainability-linked sterling bond**, simultaneously innovating the derivatives market, with the world's first bilateral sustainability-linked cross-currency swap, also subscribing to a further 1 billion euros.

The sustainability-linked financial strategy was welcomed by the market and three main results certify its success: in June 2020 the International Capital Markets Association (ICMA) published the new "Sustainability-Linked Bond Principles" ("SLBPs"), providing essential guidelines to the issuers of this instrument; sustainability-linked bonds multiplied during 2020, with issuers from different sectors and geographic areas; sustainability-linked bonds are now part of the European Central Bank's purchase programs. Enel was also rewarded by the International Financing Review (IFR), the world's leading provider of intelligence on the global capital market, as "Sustainable Issuer of the Year", as part of the 2020 IFR Awards. The award, which Enel won for the second consecutive year, recognized the Group's commitment to a sustainable strategy that has translated into innovation in the finance market through a new range of financing instruments connected to the corporate sustainability-linked approach.

Finally, in March 2021, Enel and its Dutch subsidiary Enel Finance International NV signed a five-term "**Sustainability-Linked Revolving Credit Facility**" worth 10 billion euros, the largest sustainable line in the world. The facility is linked to Enel's ability to reach a level of Scope 1 greenhouse gas emissions of 148 grams of CO_2 per kWh by 2023 or less, in line with the Group's "Sustainability-Linked Financing Framework".

As part of the 2020-2021 insurance renewals, Enel and Enel Insurance have placed a **Property All Risk SDG-Linked insurance program**, which is the first in the world to incorporate and integrate sustainability criteria such as the United Nations SDGs. The indicator taken into consideration is consistent with SDG 7 "Clean and affordable energy" and the achievement of the result is certified by an independent third party.

In 2020, 33% of Enel's gross debt was sustainable. This figure is expected to reach almost 50% by 2023 and over 70% by 2030 through refinancing and the issue of new sustainable finance instruments.

(6) Source: Bloomberg Energy Finance BNEF. Extraction of 13.04.2021. The value includes 4.5 billion dollars relating to Enel issues.

ESG ratings and indices

ESG analysts and international rating agencies monitor Enel's sustainability performance constantly. Through the application of different methodologies, analysts assess Group performance in relation to environmental, social and governance topics that may be of significance for the financial community. ESG ratings are therefore deemed to be a strategic tool to support investors and identify risks and opportunities linked to the sustainability in their investment portfolio, aiding the development of active and passive sustainable investment strategies. In 2020, Enel maintained or improved its positioning in ESG ratings and indices, reaching leadership positions in most of them, as a result of the action plan defined to improve disclosure on ESG matters with the various business units and lines of business, including actions aimed at defining and making public specific targets to increase the presence of women in managerial positions and the publication of the company policy against harassment, and better performance in the main ESG criteria assessed.

Key milestones 2020

January 2020
Inclusion in the **Bloomberg Gender Equality Index** for the first time

June 2020
Inclusion in the **MSCI ESG Leaders indices** for the first time

June 2020
Industry Leader in the **FTSE ESG Rating**

November 2020
Leader of all sectors in the **Vigeo Eiris Rating**

November 2020
Sector leader in the **DJSI World** and in the **DJSI Europe**

December 2020
Inclusion in the **Climate "A" List** for the second year in a row

December 2020
Sector leader in the **Refinitiv ESG Rating**

Main ESG ratings

	Rating	Ranking	Sector average	Scale (low | high)
MSCI	**AAA**	**Top 10** (n = 147)	BBB	CCC | AAA
Sustainalyics ESG Risk Rating	**23.6** medium risk	**24/215** electric utilities	36.7	100 | 0
S&P ESG Scores	**89**	**2/101** electric utilities	45	0 | 100
CDP	**A** (climate) **A–** (water)	**-**	B B	D | A
Refinitiv ESG Rating	**89**	**1/232** electric utilities	-	0 | 100
FTSE Russell ESG Rating	**5**	**1st** electric utilities	-	0 | 5
Vigeo Eiris ESG Rating	**76**	**1/+4,000** all sectors	47	0 | 100
ISS ESG Score	**B–**	**-**	C-	D- | A+
RepRisk Rating	**31**	**-**	44	100 | 0

Results as at December 31, 2020

Main ESG indices

ESG

MSCI ESG Leaders indices

PEOPLE

Refinitiv Diversity & Inclusion Top 100

CLIMATE

GOVERNANCE

The European taxonomy

The European Commission has established a specific classification system intended to identify sustainable economic activities from an environmental perspective (known as a "taxonomy"), as an important enabling factor for supporting sustainable investments and adopting the indications of the European Green Deal.

An economic activity is defined as sustainable from an environmental perspective if:

- it makes a substantial contribution to achieving one or more of the six environmental goals defined by the taxonomy (mitigation of climate changes, adaptation to climate changes, sustainable use and protection of waters and marine resources, transition to a circular economy, prevention and reduction of pollution, protection and restoration of biodiversity and ecosystems);
- it does no significant harm (DNSH) to any of the environmental objectives;
- it is carried out in compliance with the minimum safeguard guarantees.

With input from the technical expert group on sustainable finance, the taxonomy regulation was published in the Official Journal of the EU on June 22, 2020 and came into force on July 12 the same year. Starting from January 2022, companies required to publish their Consolidated Non-Financial Statement must disclose the share of their revenues, capital expenses (Capex) and operating expenses (Opex) that are qualified as sustainable from an environmental point of view.

Enel therefore analyzed the applicability of the taxonomy along the entire value chain and in all countries where it operates, with reference exclusively to the mitigation and adaptation to climate change goals, which are the only two for which the European Commission has published the draft criteria. The main results of Enel's declaration regarding the alignment of economic activities with the taxonomy are reported in the "European Taxonomy" chapter of this document.

Participation in international round tables to promote sustainable finance

The focus on sustainable finance is being amplified, strengthening the commitment to key global stakeholders, through the co-chairmanship of the UN Global Compact's **CFO Taskforce for the SDGs** and involvement in the UN's **Global Investors for Sustainable Development** (GISD) Alliance.

In particular, the CFO Taskforce has launched the "Principles on Integrated SDG Investments and Finance", a set of principles to support companies in the transition towards sustainable development and leverage corporate finance and investments to achieve the SDGs. Equally significant are the results of the work carried out during the first year of the GISD Alliance such as, for example, the definition of Sustainable Development Investing (SDI) and the launch of the Call to Action for Covid-19 bond issuance. On several occasions, the Alliance has also given its contribution to the European Commission for recommendations and reports on the new European strategy for sustainable finance.

Also noteworthy is the work carried out at European level, through **CSR Europe**, to encourage concrete actions in the field of sustainable finance to support the achievement of the SDGs. In fact, at the European SDG Summit 2020, Enel established a fruitful collaboration with CSR Europe and the European Banking Federation for the organization of the European SDG Roundtable "Financing the Future: Sustainable Finance for the SDGs", dedicated to sustainable finance. On that occasion, Enel presented its sustainable finance strategy, as well as the innovative financial instruments used by the Company to encourage and accelerate the energy transition.

Our priorities and stakeholder involvement

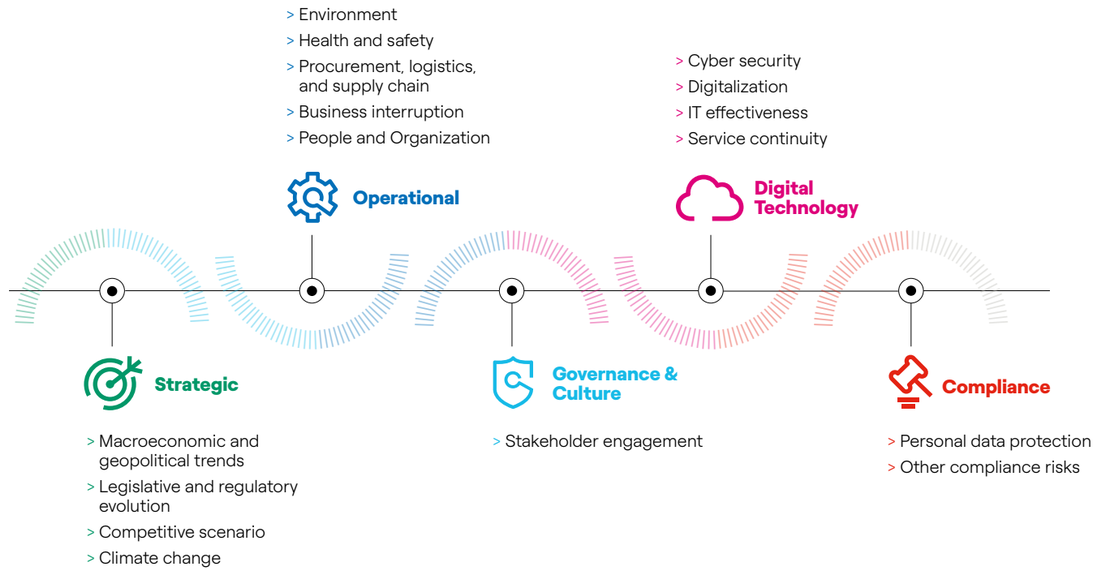
Sustainability context

Climate change and environmental degradation, an increasingly "diverse" society, demographic changes, urbanization, the evolution of cities, new technologies and inequalities are the megatrends influencing the economic, social and environmental dimensions of sustainable development, redefining our future and changing the way where we live and work. Megatrends often influence each other and also act in combination, reinforcing their individual impacts. Climate change, for example, can strengthen rural-urban migration. Technological innovation and digitization have in several cases exacerbated income inequalities. A scenario made more complex by the Covid-19 pandemic which, in addition to being a health emergency, has turned into the deepest global recession in recent history, measurable in terms of a contraction in world GDP of around 3.7% on a year-on-year basis in 2020. The pandemic has highlighted and reinforced the existing inequalities between and within countries, with a greater negative impact on nations and groups that are less able to protect themselves, and already at greater risk of being left behind. Addressing these challenges in some cases requires a global effort, in others national policies play a decisive role, but **global coordination and joint efforts can contribute to more significant and positive changes, underlining the vital importance of multilateral consensus and collaboration**.

Main risk types

| 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**. In particular, the main ESG risks identified are listed below; further risks, mainly of a financial nature, are reported in the Integrated Annual Report.



For further details and a description of the actions intended to mitigate their effects and ensure their correct management, please refer to the "Sound governance" chapter of this document.

Our priorities

| 102-15 | 102-40 | 102-44 | 102-47 | 103-2 |

The **materiality analysis** is the process which, with the continuous and direct involvement of stakeholders, allows the priority issues for stakeholders to be identified and assessed, weighted based on their relevance, comparing them with the Group's priorities and industrial strategy, considering the impacts suffered and generated on the economy, the environment, and on people, including the impacts on human rights.

The result of this analysis is presented in the **Group's priorities' matrix** (or materiality matrix), which gives a comprehensive view of all the Company's stakeholders, providing a complete sustainability disclosure, as well as an integrated representation of the Company's contribution to sustainable development. Furthermore, applying the so-called "primary users" filter – corresponding to the "financial community"[7] stakeholder – it is possible to highlight the issues that have a greater direct impact on the value of the company. The result of the analysis therefore helps to identify and define the objectives to be included in the Strategic Plan and the Sustainability Plan - to the achievement of which the Group's various Functions and Business Lines contribute - and the topics to be covered in the Sustainability Report.

The issues are classified into categories of business and governance matters, social matters, and environmental topics and represented by the priorities assigned by stakeholders (horizontal axis of the matrix) and the Company (vertical axis of the matrix). The overall Group matrix considers the contributions of the main companies involved in the process, weighted according to their significance with respect to the type of business in which they operate.

In 2020, the analysis covered **18 countries**, **52 companies and 28 assets** and considered **432 initiatives involving relevant stakeholders** for the Group, namely business community, customers, financial community, national and international institutions, civil society and local communities, media, employees, suppliers and contractors. During last year there has also been a significant decrease in the use of "self-assessment", which now stands at 2% (in 2015 it was 64%) of the total of the various types of involvement envisaged, making the analysis increasingly objective and detailed.

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.

The method used was developed taking into account the guidelines of several international standards, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), the International Integrated Reporting Framework (IIRC), the AA1000AP AccountAbility standard (2018) and the SDG Compass, which supports companies in adapting their strategies to comply with the UN SDGs. In particular, **the issues analyzed cover all 17 SDGs**.

In accordance with the most recent publications by the aforementioned reference standards, the materiality analysis is conducted with:

- a dynamic approach ("**dynamic materiality**") by continuous monitoring of stakeholders' expectations, particularly in order to determine whether non-material issues might become material issues for the business over time;
- a dual vision ("**double materiality**"), which allows us to assess whether the Company has an impact on society and the surrounding environment, or identify how ESG issues affect the creation of long-term value.

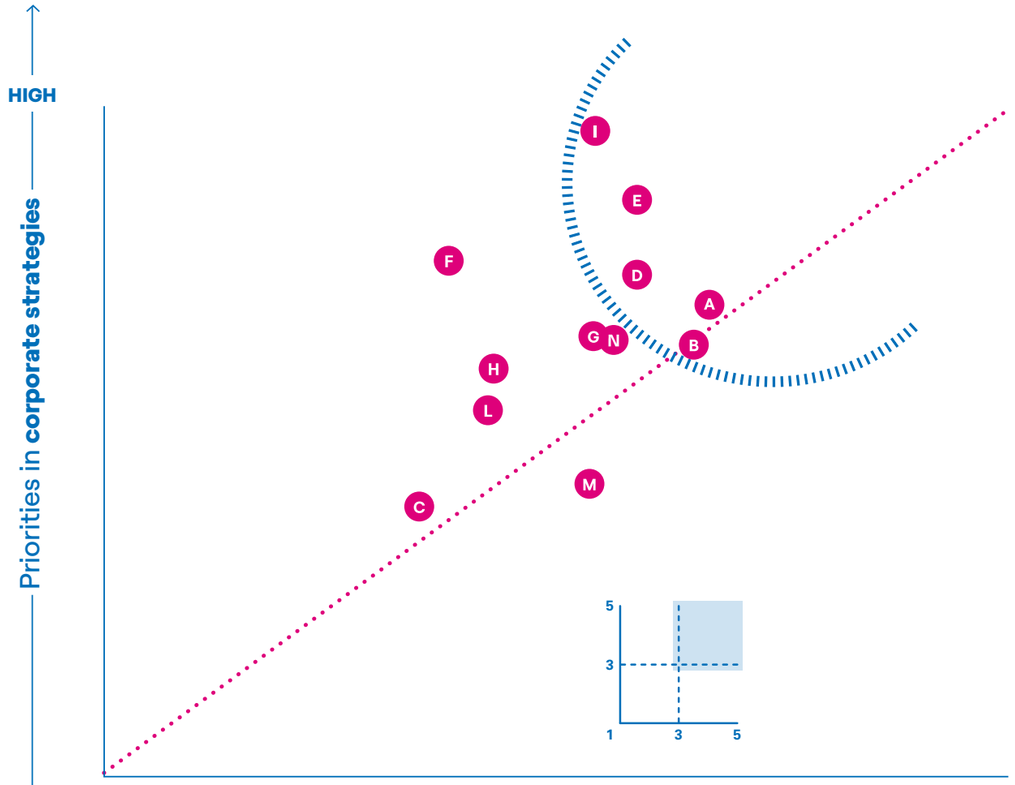
The materiality analysis is brought to the attention of the Corporate Governance and Sustainability Committee at the time of the Sustainability Plan guidelines review. Moreover, the Corporate Governance and Sustainability Committee and the Control and Risks Committee issue preventive opinions concerning the Sustainability Report, which includes the materiality analysis, and submit them to the Board of Directors in its meeting convened to approve the Report.

2020 results

Given the particular nature of the reference context due to the global pandemic, the materiality analysis also took into consideration the effects of Covid-19. In particular, the issues most affected by the pandemic recording an increase in the level of priority assigned were: occupational health and safety, particularly the safety of contractors and employees; ecosystems and platforms, in relation to the growing need for services for the home, for citizens and for industries; innovation and digital transformation, given the acceleration in digitalization required by the pandemic crisis; and engaging local communities, given the importance of the Company's role in ensuring adequate management of any critical issues in the territories where it operates.

(7) It includes: financial institutions and respective governing bodies; investors; rating agencies and financial analysts.

2020 materiality matrix



BUSINESS AND GOVERNANCE ISSUES

- A Energy distribution
- B Decarbonization of the energy mix
- C Customer focus
- D Ecosystems and platforms[1]
- E Sound governance and fair corporate conduct
- F Economic and financial value creation
- N Innovation and digital transformation

SOCIAL ISSUES

- G Engaging local communities
- H People management, development and motivation
- I Occupational health and safety
- L Sustainable supply chain

ENVIRONMENTAL ISSUES

- B Decarbonization of the energy mix
- M Environmental management

(1) Includes the following issues: "New technologies and solutions for Homes and Condominiums"; "New technologies and solutions for Cities"; "New technologies and solutions for Industries"; "Electric mobility".

Some of the main priority issues identified in 2020 are listed below, highlighting the reasons and stating how they are managed by the Group.

- **Occupational health and safety** – Enel considers the health, safety and psychological and physical well-being of people to be one of 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 2020, the total combined injury Frequency Rate (FR) for internal and vendor personnel, was down by 29% compared to 2019.
- **Ecosystems and platforms** – Digitalization and the spread of new technology are accelerating the transformation of a large number of sectors. This context offers new opportunities based on the development of energy solutions that promote sustainability and make it possible to diversify the offering of the products and services the Group proposes to its customers, both influencing the traditional business and promoting 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 context, the Group has included clear and precise objectives in its 2021-2023 Sustainability Plan, aimed at defining and developing new products and services, promoting the application of new technologies in the sphere of energy efficiency, electric mobility, storage, and other sustainable energy solutions. In particular, as of 2020, Enel has installed 186,000 charging points[8] and aims to install over 780,000 by 2023 and more than 4 million by 2030.
- **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 management of the business, both internally and externally. This model generates trust among stakeholders, an aspect that is also reflected in the economic results and in the excellent positioning achieved in 2020 in the principal ESG ratings and sustainability indices. Among the most significant results achieved, the Company gained the highest ranking ever achieved in its 17 years of presence in the Dow Jones sustainability indices.
- **Energy distribution** – Enel works constantly to develop and improve the efficiency of the distribution network, carrying out maintenance and modernization work on the 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 smart infrastructure in the energy transition, the Group has included in its 2021-2023 Sustainability Plan the installation of active smart meters for 49 million users by 2023 and more than 90 million by 2030.
- **Decarbonization of the energy mix** – The fight against climate change has become one of the key challenges facing 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 defined specific objectives to reduce emissions of greenhouse gases (GHG), focusing on growth of renewable capacity and gradual closure of coal-fired power plants.

For further details about the 2021-2023 Sustainability Plan, please refer to the dedicated paragraph in this chapter.

8 Public and private charging points installed. Includes interoperability points, net of which there are 105 thousand charging points installed at the end of 2020.

AT A GLANCE

The engagement of our stakeholders

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

Based on the results of the engagement initiatives gathered during the year, the priorities attributed to the analyzed issues by the various categories of stakeholders, i.e.business community, customers, financial community, national and international institutions, civil society and local communities, media, employees, suppliers and contractors, were identified. The following tables show the categories of stakeholders with their respective degree of relevance (see the Methodological Note for further details), which highlight the respective communication channels used to engage stakeholders, the priority issues for each stakeholder and the answers provided by the Company in order to respond to the expectations of stakeholders and to continuously improve its performance.

RELEVANCE

PARAMETERS:
Dependence importance of the relationship for the stakeholder

Influence importance of the relationship for the Company

Urgency temporal dimension of the relationship

Business community

RELEVANCE

Communication and involvement channels(1)	Average rate of involvement per channel/type	Main high/very high priority issues for stakeholders	Our response to stakeholders in the chapters of the Report
Direct conctacts	daily	> Occupational health and safety	"Occupational health and safety"
Forums	monthly	> Environmental management	"Environmental sustainability"
Working groups	monthly	> Sustainable supply chain	"Sustainable supply chain"
Dedicated meetings	weekly		

Customers

RELEVANCE

Agents	daily	> Environmental management	"Environmental sustainability"
Mobile app	continuous	> Customer focus	"Electrification, digital and platforms"
Web channel	continuous	> Innovation and digital transformation	"Innovation"
Forums	monthly		"Digital supports and cyber security"
Working groups	monthly		
Enel stores and commercial offices	daily		
Social media	continuous		
Survey	twice per year		

Financial community

RELEVANCE

Web channel	continuous	> Ecosystems and platforms	"Electrification, digital and platforms"
Direct conctacts	daily	> Sound governance and fair corporate conduct	"Sound governance"
Investor Day	once a year	> Decarbonization of the energy mix	"Net-zero ambition"
Roadshow	4 times per year		

Institutions

RELEVANCE

Reporting channel	continuous	> Decarbonization of the energy mix	"Net-zero ambition"
Web channel	continuous	> Environmental management	"Environmental sustainability"
Press releases	weekly	> Energy distribution	"Electrification, digital and platforms"
Direct conctacts	daily		
Social media	continuous		

Civil society and local communities

RELEVANCE

Reporting channel	continuous	> Energy distribution	"Electrification, digital and platforms"
Web channel	continuous	> Innovation and digital transformation	"Innovation"
Press releases	weekly	> Sustainable supply chain	"Digital supports and cyber security"
Direct conctacts	daily		"Sustainable supply chain"
Social media	continuous		

Media

RELEVANCE

Press releases	weekly	> Decarbonization of the energy mix	"Net-zero ambition"
Direct conctacts	daily	> Economic and financial value creation	"Sustainable supply chain"
Dedicated meetings	weekly	> Sustainable supply chain	
Roadshow	4 times per year		
Social media	continuous		

Employees

RELEVANCE

Reporting channel	continuous	> Occupational health and safety	"Occupational health and safety"
Forums	monthly	> Customer focus	"Electrification, digital and platforms"
Working groups	monthly	> Decarbonization of the energy mix	"Net-zero ambition"
Fact-finding interviews	weekly		
Intranet	continuous		
Newsletter	every 2 weeks		
Company magazine	every 2-3 months		
Survey	twice per year		

Suppliers and contractors

RELEVANCE

Web channel	continuous	> Occupational health and safety	"Occupational health and safety"
Direct conctacts	daily	> Sound governance and fair corporate conduct	"Sound governance"
Forums	monthly	> People management, development and motivation	"Our people"
Working groups	monthly		
Dedicated meetings	weekly		

(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.).

Our sustainability strategy and contribution to sustainable development goals

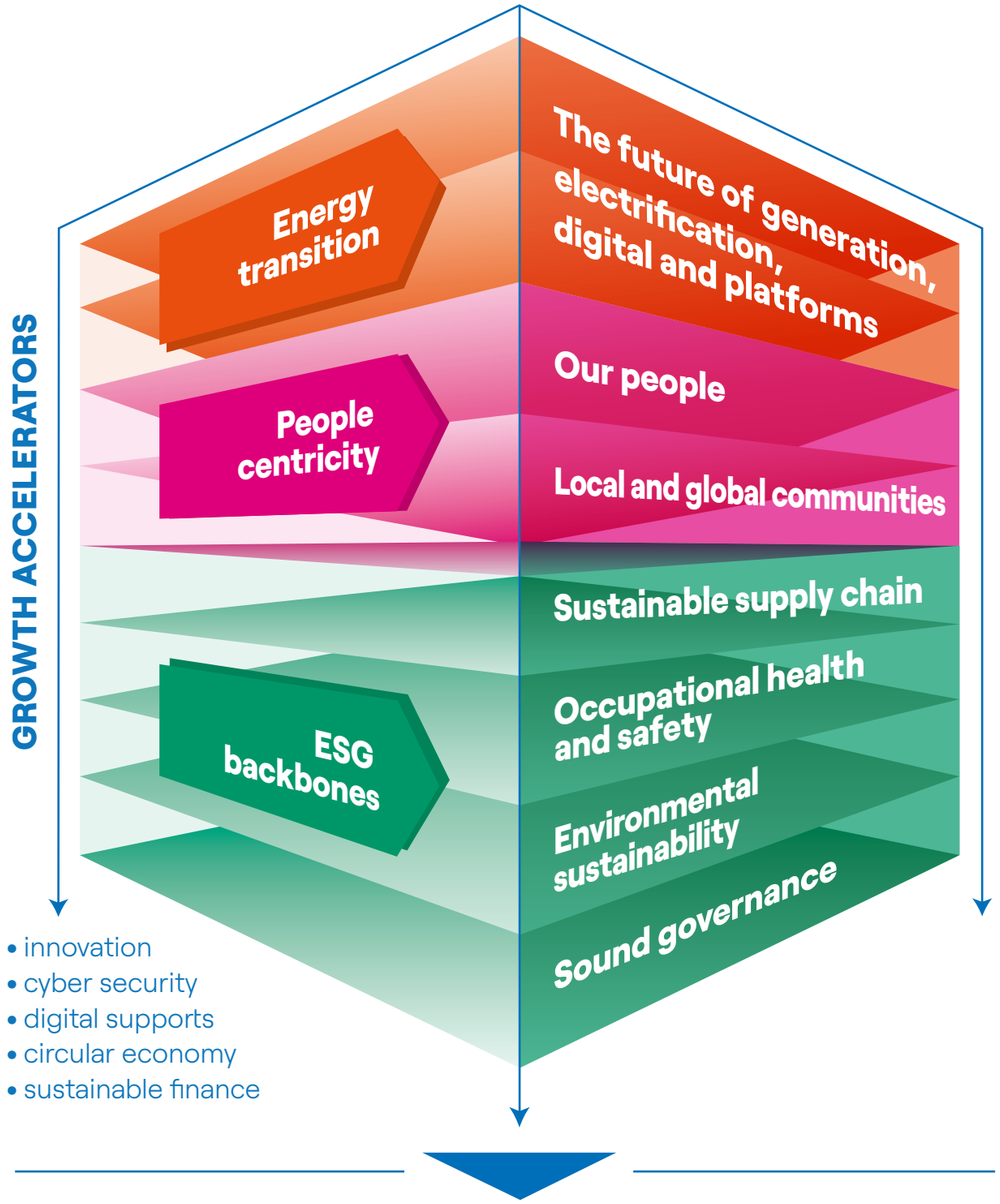
| 102-15 |

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 deriving from the energy transition while at the same time limiting the related risks. The Group has therefore renewed its commitment to achieving the SDGs, placing **SDG 13 "Action to combat climate change"** at the center. As a leader in the energy transition, Enel wants to drive generation in the future towards an ever-increasing development of renewable energy (**SDG 7 "Clean and affordable energy"**) and the gradual phase out of coal-fired plants. Furthermore, in accordance with **SDG 9 "Industry, innovation and infrastructure"** and **SDG 11 "Sustainable cities and communities"**, the Group intends to promote the electrification of consumption and the development of new services for end customers, focusing on enabling infrastructures and the development of platform models, making the most of technological and digital evolution. The aim is to accelerate the **decarbonization** and **electrification** processes to allow the global warming containment objectives to be achieved **in accordance with the Paris Agreement**.

Taking into account the results of the materiality analysis and in synergy with the Strategic Plan, the Group therefore defines its **Sustainability Plan** divided into **specific objectives over a three-year period**. 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.

Looking ahead by anticipating global trends, ensuring its strategic positioning and identifying new key stakeholders in the sustainable development ecosystem, Enel aims to identify and take advantage of opportunities.

Through a **sustainable business model based on clear and challenging objectives**, the Group confirms its leading role in promoting and accelerating the energy transition, with an inclusive approach and leaving no one behind, **creating long-term value for all stakeholders**.



SUSTAINABLE VALUE CREATION IN THE LONG TERM

7 CLEAN AND ACCESSIBLE ENERGY → 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE → 11 SUSTAINABLE CITIES AND COMMUNITIES → 13 CLIMATE ACTION

SUSTAINABLE DEVELOPMENT ALONG THE ENTIRE VALUE CHAIN

1 NO POVERTY · 2 ZERO HUNGER · 3 GOOD HEALTH AND WELL-BEING · 4 QUALITY EDUCATION · 5 GENDER EQUALITY · 6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 10 REDUCING INEQUALITY · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 14 LIFE BELOW WATER · 15 LIFE ON LAND · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR GOALS · SUSTAINABLE DEVELOPMENT GOALS

Energy transition

The future of generation

With a view to achieving **complete decarbonization by 2050**, Enel has further increased its **ambition in the fight against climate change**, raising its Scope 1 greenhouse gas reduction target to 80% by 2030 compared to 2017, equivalent to 82 gCO_{2eq}/kWh(1), **in line with the 1.5 °C scenario**, as certified by the Science Based Targets initiative (SBTi). In order to achieve this target, additional renewable capacity of around 96 GW is planned for 2030 compared to 2020, **reduction in conventional capacity** from the current 44% to less than 20% of the total managed capacity.

Electrification, digital and platforms

In order to promote **usage electrification** , the Group aims to increase its range of products and services and continuously improve customer satisfaction. The main objectives include the installation of 780,000 **public and private charging points for electric vehicles** by the end of 2023, but also **rural electrification** with 230,000 connections in the three-year period. Furthermore, considering the important enabling role of **infrastructure**, particularly for decarbonization purposes, the Plan aims to make the network increasingly flexible and resilient, through investments in digitalization, service quality and efficiency, and to increasingly adopt platform models. The main goals set for 2023 include a reduction in the average frequency and duration of interruptions (**SAIFI** and **SAIDI**) of around 12% compared to 2020 and the achievement of around 49 million end users with active **smart meters**.

People centricity

Our people

A high level of attention is devoted to the people who work for the Company, who are deemed to be key factors in the Group's sustainable strategy. In its role as an energy transition leader, Enel strongly promotes the development of **upskilling** and **reskilling** programs intended to develop existing professional skills and create new occupational profiles. As regards **diversity and inclusion**, Enel is strengthening its commitment to all stages of involvement, starting from **selection processes**, with the aim of ensuring the 50% involvement of women, up to the highest positions, establishing the specific objective of increasing the number of **women managers** and **middle managers** in the Company.

Local and global communities

Enel continues to promote the economic and social growth of the **local communities** in which it operates with the aim of creating shared value, confirming and strengthening its specific commitment to the following SDGs in the period 2015-2030:

> 5 million beneficiaries of quality education (**SDG 4**);

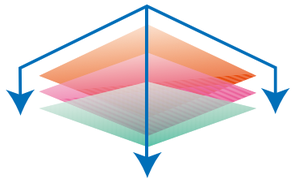
> 20 million beneficiaries of affordable and clean energy (**SDG 7.1**);

> 8 million beneficiaries of decent work and sustained, inclusive, and sustainable economic growth (**SDG 8**).

(1) The GHG Scope 1 emissions target for 2023 is 148 gCO_{2eq}/kWh.

ESG backbones

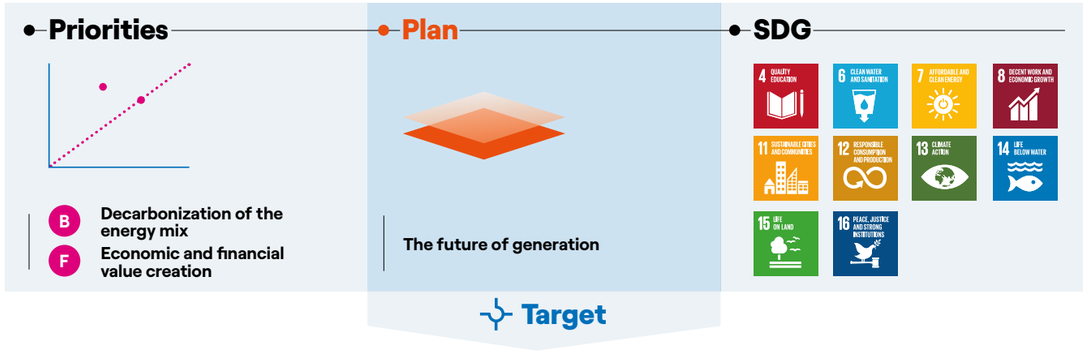
With regard to **ESG backbones**, the established goals are linked to the increasing attention paid to **occupational health and safety**, the promotion of a **sustainable supply chain**, an increasingly integrated **governance structure** and **environmental management** based on reducing emissions and consumption, while also promoting and preserving biodiversity.



Growth accelerators

The **growth accelerators** that support and speed up the achievement of the other goals set out in the 2021-2023 Sustainability Plan are **innovation**, with specific Proof of Concept targets and innovative projects adopted by the business, **cyber security**, with further attention paid to training and the dissemination of an IT security culture, **digital supports**, which are even more important in the current emergency, **circular economy**, which aims to reduce the impacts and use of resources along the entire value chain, and **sustainable finance**, which aims to significantly increase the use of financing instruments linked to the Group's sustainable strategy.

An overall view of all the targets established for each topic is reported at the beginning of the respective chapters, in the so-called "dashboards", an example of which is shown below, indicating the target relating to the 2020-2022 Sustainability Plan, the result achieved in 2020 and the redefined or added target for the new 2021-2023 Plan.

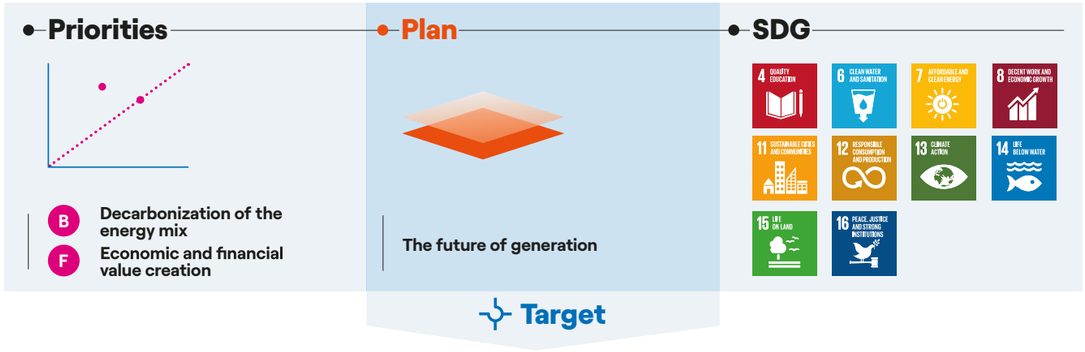


Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG

TOPIC VIEW

2
OUR ESG PERFORMANCE

- We have stepped up our **efforts to fight climate change** and are focusing on **electrification, digital and platforms**
- We pay close attention to the **people who work for the Company** and strive to advance the economic and social growth of the **local communities** where we operate
- **Innovation, Circular Economy, Digital Media and Cyber Security** are our growth accelerators
- Our sustainable business model is based on: the **sustainable supply chain, occupational health and safety, environmental concerns** and **sound governance**



Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Reduction of specific emissions Scope 1	**-70%** in 2030 compared to 2017 (125 gCO_{2eq}/kWh)[1]	**-49%** compared to 2017 (211 gCO_{2eq}/kWh)[1]	**ON-PLAN**	**-80%** in 2030 compared to 2017 (82 gCO_{2eq}/kWh)[2]	E	13
Development of additional renewable capacity and reduction of thermal capacity	**+14.1 GW** of renewable capacity[3] **-6.2 GW** of thermal capacity[4]	**3.1 GW** of additional renewable capacity[3] **-3.3 GW** of thermal capacity[4]	**ON-PLAN**	Approximately **+96 GW** additional renewable capacity[3] in 2021-2030 **<20%** of conventional capacity over total capacity[3]	I E	7 13
Implementation of environmental international best practices to selected coal plants	**187 mil** euros of environmental investments	**6.5 mil** euros	**OFF-PLAN**	Target outdated in view of the evolution of the Group's strategy	E	13
MBA-PhD training about resilience in the countries where the Group operates	**600** people involved	**238** people involved	**ON-PLAN**	**600** people involved	E S G	11 17
Greater use of sustainable financing sources (sustainable finance instruments/total financial instruments)	**43%** by 2022	**33%**	**ON-PLAN**	**48%** by 2023[5]	I E	7 13

(1) The target included in the 2020-2022 Plan and certified by the Science-Based Targets initiative (SBTi) in September 2019 only referred to CO_2 emissions from thermal generation, which account for around 99% of Scope 1 emissions, under the new target included in the 2021-2023 Plan. In 2020, the value for all Scope 1 emissions is 214 gCO_{2eq}/kWh, down 48% compared to 2017.
(2) The 2030 Scope 1 emissions reduction target was redefined and certified by SBTi in October 2020. Following this redefinition, Scope 1 specific emissions in 2023 will be 148 gCO_{2eq}/kWh.
(3) Includes managed capacity. The value of the additional consolidated capacity is 2.9 GW in 2020.
(4) Includes nuclear.
(5) The 2030 target is >70%.

I Industrial E Environmental S Social G Governance T Technological

Goals
New Redefined Outdated

Activities	2020-2022 targets	2020 results	Status	2021-2023 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[6]	⊕	⊕		48 sites involved in **repurposing** projects[7], including: • **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)	I E S T	7 13
Sustainable construction site[8] - promoting the adoption of the sustainable construction model (sustainable construction sites/total new construction sites)	⊕	⊕		**100%** renewable construction sites by 2023 **100%** thermal generation sites by 2023	I E	4 6 7 8 12 13 14 15
Sustainable construction site[8] - improving the adoption of the sustainable construction site model (average adoption rate per site[9])	⊕	⊕		**100%** by 2023	I E	4 6 7 8 12 13 14 15
Sustainable plant - promoting the adoption of the sustainable plant model (sustainable plants/total eligible plants[10])	⊕	⊕		**100%** by 2023	I E	4 6 7 8 12 13 14 15
Sustainable plant - improving the adoption of the sustainable planting model (rate of adoption of planned practices[11])	⊕	⊕		**66.3%** in 2021[12]	I E	4 6 7 8 12 13 14 15

(6) Third-party project initiatives could be developed where in-house redevelopment is not feasible.
(7) Includes sites already decommissioned, to be decommissioned, in operation and with hybridisation currently ongoing with other technologies.
(8) The perimeter of the sustainable site model also includes sites undergoing renovation and repowering (turbine replacement, gas upgrading, etc.).
(9) The rate of adoption of sustainable construction practices is the ratio between the practices adopted and the catalogue priority practices according to the sites' technical characteristics.
(10) Eligible plants are the sites achieving a positive result in the annual assessment on all sites. Not included are plants with zero planned generation, small plants (<1 MW) with low local impact, plants for sale or being phased out, BSO plants with restrictions due to external partnerships and plants with hand-overs in the second half of 2020.
(11) The adoption rate of sustainable planting practices is the ratio of adopted practices to catalogue planned practices. Planned practices are determined following an assessment of the specific aspects of individual plants.
(12) The KPI only considers practices from the 2020 Sustainable Plant Catalogue as mapped out in the 2020 Feasibility Map.

214
gCO_{2eq}/kWh
SPECIFIC GREENHOUSE GAS EMISSIONS (SCOPE 1)

80
%
REDUCTION OF DIRECT GREENHOUSE GAS EMISSIONS
per kWh (Scope 1) by 2030, as compared to 2017

56
%
RENEWABLE NET
efficient power

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

NET-ZERO AMBITION

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

Enel is committed to developing a **business model in line with the goals of the Paris Agreement (COP 21)** to limit the average increase in global temperature to less than 2 °C above pre-industrial levels (1850-1900) and to continue to limit this increase to 1,5 °C.
For this reason, Enel **has set itself the objective of reaching the decarbonization of its energy mix by 2050**, as announced publicly in 2015 when the United Nations launched its Sustainable Development Goals (SDGs), with particular reference to SDG 13 "Climate action".
Furthermore, Enel, as a signatory to the Business Ambition for 1,5 °C campaign promoted by the United Nations and other institutions, is committed to fixing a long-term objective for **reaching net zero emissions along the value chain by 2050**, together with intermediate targets in all the pertinent areas and in line with the criteria and recommendations of the Science Based Targets initiative (SBTi). As a result, in October 2020 Enel announced a new **objective of reducing its direct emissions of greenhouse gases per kWh_{eq} 80% by 2030**, in comparison to the year of reference 2017, certified by SBTi and consistent with the purpose of limiting global warning to 1,5 °C. This new commitment requires that by 2030, the Group's direct emissions are equal to 82 gCO_{2eq}/kWh compared to 125 gCO_{2eq}/kWh corresponding to the previous objective of a 70% reduction that was announced in 2019.
Particular attention 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, Enel periodically reports on its related activities in line with the international standards of the **GRI (Global Reporting Initiative)** and the **Sustainability Accounting Standards Board (SASB)**, and is 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. The Group has also integrated the "Guidelines on reporting climate-related information" published by the European Commission in June 2019.

A net-zero economy requires a new way of doing business and finance, a combination that must fully integrate the concept of sustainability and the shared value creation.

Alberto De Paoli

Administration, Finance and Control

Why is it important for our stakeholders?

To accelerate the energy transition means rethinking the way in which we live and progress,for both our and future generations benefit.

Why is it important for Enel?

Progress towards a net-zero model opens up new markets of unimaginable size. Having anticipated this trend in time, Enel can now be the undisputed leader of this transition.

A fair and inclusive transition

Energy transition will represent an important growth and modernization accelerator for the industry thanks to the potential it offers in terms of economical development. The progressive replacement of fossil fuels with renewables will permit a greater use of electricity in the energy system, with positive repercussions in economic, environmental and social terms. To fully benefit from these opportunities, forward-looking policies are required to ensure a **fair and inclusive transition** that does not leave anyone behind and that considers in particular the needs of the social categories most exposed to the change, such as communities that base their economy on coal mining. If in fact energy transition will lead, in some generation sectors, to a reduction in the number of jobs, it is necessary to be ready to create new job and requalification opportunities.
In this context, Enel, as a signatory to the commitment promoted by the United Nations on a fair transition, is committed to accelerating the energy transition, guaranteeing that the new jobs created will be fair, decent and inclusive.
In particular, it is committed to:

> promoting social dialog with workers and union representatives, in compliance with the workers' rights established by the International Labour Organization (ILO), encouraging social protection (including pensions and healthcare) and salary guarantees, also in line with ILO directives;
> 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.

Enel follows the approach of "think globally, act locally", 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 involvement 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 all 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 started in 2015 in Italy, with the purpose of giving new life to the power plants being closed (for a total of 13 GW). The approach, which proved to be successful, was therefore extended to the entire Group and will concern a portfolio of more than 40 sites on a global level.

Given the new energy-industry context, Enel's decarbonization strategy is 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 energy generation sites 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 structures 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), and in the non-energy area by promoting fair energy transition;
- on the **Iberian Peninsula** with the progressive transition of coal-fired plants located on the peninsula (for example, Andorra in Teruel (closed in June 2020), Compostilla in León (closed in June 2020), As Pontes in La Coruña and Carboneras in Almería;
- in **South America**, for example, with the power plants of Tarapacá and Bocamina in **Chile**, where Enel is integrating the approach of fair transition, proceeding with the progressive closure of coal-fired generation (Tarapacá and Bocamina I already closed, Bocamina II with closure planned in 2022).

During 2020, Enel also started a collaboration with CSR Europe in order to promote a high-level dialogue for a fair and inclusive transition, which has involved a wide range of key players, such as: the European Commission, environmental organizations and labor institutions, European think tanks, private sector and youth associations. The initiative is targeted toward exploring the challenges related to the transition toward a low-carbon economy, also in light of the impacts deriving from the Covid-19 pandemic, in order to create a roadmap of concrete actions that can be actually used by companies with regard to work and employment, consumption and life style, as well as finance and investments.

Involvement of the stakeholders in the fight against climate change

Enel promotes the involvement of its main external and internal stakeholders in order to increase their awareness and develop a constructive dialogue 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 2020 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 covered when identifying the main priorities for the stakeholders for sustainability planning;
- **Enel Focus On**: over the last year, two virtual meetings were held with the main players and influencers to start an open dialogue with Group management on the main challenges of energy transition. Various climate related topics were addressed, such as renewable energies and the green technologies to guide the recovery from the economic crisis related to Covid-19 and the role of the circular economy in the sustainable development of cities;
- **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, Group subsidiary operating in Spain, with the objective of encouraging responsible energy consumption by collecting the opinions of experts on energy efficiency through articles, digital meetings and by supporting various sector initiatives;
- **raising the awareness of local communities**: with the Creating Shared Value (CSV) model, Enel is involving local communities, making them aware of topics con-

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

In line with the commitment made for a fair 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:
- maintaining the 153 people from the plant in our work force. 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;
- giving maximum priority to hiring workers coming from existing auxiliary companies to employ in the activities of closing and decommissioning the plant. This could take between four and six years and create approximately 130 jobs with a maximum of 200 workers employed at peak times. 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;
- promoting the development of training programs targeted toward local communities in the area, with more than 900 beneficiaries, in order to promote new work opportunities;
- planning 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.

nected 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 involvement in climate change aspects and promote a culture of innovation and business entrepreneurship on a global level to overcome the energy challenges. Enel Days 2020, which are annual company events, promoted discussions and exchanges about topics such as electrification, decarbonization, digitalization and urbanization. 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 its advocacy on climate change the Enel Group is firmly committed to:

- **ambitious climate and decarbonization targets** consistent with the goals set forth by the Paris Agreement, for instance through initiatives like the "Campaign on Business Ambition for 1,5°" promoted by the UN Global Compact and the global campaign Race To Zero, launched in 2020 from UNFCCC and High Level Champion for Climate Ambition, as a clear sign from the international community to the governments for reaching the Paris Agreement goals in view of the COP 26, in which they will be called to review the agreement conditions;
- **effective and efficient implementation policy mechanisms** able to harness market dynamics and in doing so it fully supports putting a price on carbon;
- **wide stakeholder engagement on climate issues** by actively contributing to multi-stakeholder coalitions such as the UN Global Compact and the World Bank's Carbon Pricing Leadership Coalition;
- **private sector leadership on decarbonization** through its continued participation in private sector initiatives such as WEF CEO Climate Leaders Alliance, IETA (International Emissions Trading Association), WBCSD (World Business Council on Sustainable Development), regional and national trade associations.

Enel's policy advocacy aims to promote the decarbonization strategy of the Group and pursue the Paris Agreement goals, engaging institutional stakeholders, trade associations, non-governmental organizations and academia in order to promote our view on climate and low-carbon policies. The engagement activity with stakeholders contributes to the evolution of the regulatory frameworks towards ambitious climate goals and promotes an economy where the EU ETS drives long term investment. To do so Enel interacts directly with policy makers, contributes do the positioning of trade association, interacts with a wider set of stakeholder to create consensus and support on specific policy proposals.

According to this policy, the Group has signed the "Uniting Business and Governments to Recover Better" statement in 2020, a call that gathers the signatories from SBTi and Business Ambition for 1.5 to encourage governments to prioritize the climate emergency despite of the economic and health crisis.

As a strong supporter of carbon pricing, Enel advocates for its integration in policy making throughout the countries in which it operates. In doing so it emphasizes the importance of well-functioning carbon tax and emission trading mechanisms able to deliver short to medium term predictability supporting market efficiency as well as strong long term price signals to support long term investments and innovation.

Global coordination of Enel's global public policy positioning on climate is ensured through the Energy and Low-Carbon Policy Unit. Such unit has the responsibility of developing global outlooks and position papers on climate policies. The latter serve as guidance for Enel's national and local advocacy as well as engagement with institutions and the wider range of stakeholders active within the climate debate. In such respect Enel is also committed at working to ensure continued and full alignment with the goals of the Paris Agreement of any association of which it is a member.

At the national level, Enel's commitment on public advocacy is pursued through specific advocacy activities as well as wider stakeholder engagement on the themes of decarbonization and the energy transition. The approach is **similar to the one adopted at the global level. Advocacy goals include the promotion of greater climate ambition, carbon pricing**, the accelerated penetration of RES technologies, infrastructure development and upgrade through smart grid technologies to support the energy transition, electrification as a mean of decarbonizing final energy uses. Furthermore, through its "Energy Transition Roadmap" engagement platforms Enel engages with a wide range of stakeholders on the actions needed at the national level to pursue the goals of the Paris Agreement. Such platforms assume as a starting point decarbonization in line with the Paris Agreement by 2050, they then proceed in identifying the technological mix necessary to achieve such long term target in 2050 as well as the medium term one of 2030, to then proceed in developing specific policy recommendation aimed at achieving such transformation. All of such activities are supported by a continuous engagement with a wide set of stakeholders.

Enel's positioning on the main climate related policies and frameworks

Several regulatory and legislative events occurred in 2020 are relevant for Enel's business and advocacy actions. In light of the increased streamlining of the climate challenge within wider global, national, regional and local policy and regulation, the number of dossiers within which Enel focuses its climate advocacy has been increasing every year. Enel's positioning on such main dossiers is presented below.

- **The Enel Group strongly promotes throughout the countries in which it operates an increased climate ambition in line with the Paris Agreement**. Having adopted as a company SBTi targets aligned with the Paris Agreement, Enel supports public policies aimed at upscaling climate action and implementing decarbonization policies within a just transition framework. Enel's advocacy in such area is implemented through *ad hoc* engagement on specific legislative proposals (e.g. the EU Climate Law), but also through a wider stakeholder engagement at the national level through Enel's "Energy Transition Roadmap" platform (see above). Through such platforms, Enel advocates for NDCs fully reflecting the highest possible climate ambition and fully in line with the requirements of the Paris Agreement.
- **Within the Paris Agreement's debate on international cooperation, Enel strongly supports a swift finalization of Article 6 implementing provisions.** Such position is in line with the fact that Enel supports carbon pricing mechanisms implementation worldwide. The adoption of carbon pricing should involve Cap and Trade system in industrialized economies and in sectors where the economic barriers are relevant and price signals are valued by economic agents. Carbon pricing should take the form of environmental taxation in countries with weaker institutional and sectors characterized by distributed emission sources and where non-economic barriers are relevant. The Enel Group strongly supports carbon pricing as a means to efficiently and effectively decarbonize economic systems around the globe. Enel views on the implementation of carbon pricing have been conveyed directly and through the participation in the activities of IETA, CPLC, Eurelectric and WBCSD (World Business Council on Sustainable Development). In 2020 specific streams of activities have been devoted to analysis and advocacy on carbon pricing, at global, regional (EU and Latin America), and national levels (EU Member States, Chile, Colombia, and Peru).
- **Within the EU, the European Green Deal is a unique opportunity to accelerate the EU's journey towards a fully decarbonized and sustainable economy especially if aligned with the mobilization of significant resources to ensure a swift recovery from the ongoing pandemic.** Achieving EU's climate and environmental goals requires a new industrial strategy for reaching climate neutrality and a circular economy action plan, pursuing the decarbonization of each sector. The power sector shall aim to be completely decarbonize and ensure the decarbonization of the other sectors of the economy through direct and indirect electrification. The study "Sustainable paths for EU increased climate and energy ambition" supported by the Enel Foundation and other sources point out the fact that electrification of end uses is necessary for a full decarbonization.
- **The EU Climate Law should enshrine the climate and other environmental-related challenges at the core of EU vision** and its inclusive and sustainable growth strategy. It should establish the long-term target of carbon neutrality at 2050 as well as the mid-term target of at least 55% reduction of GHG as the guiding objective for all other EU policies. The Law should also set a guiding vision and a governance to ensure that all EU policies, actions and strategies are aligned with the climate objective, including education, financing, R&D, innovation, fiscal policies, labor and social policies. In doing so the Law should set a principle foreseeing that all policies are designed and assessed based on a careful evaluation of their full impact. Such assessment should include the full range of multiple benefits arising including the ones on air quality, circular economy, energy efficiency. Overall, it is critical for EU's sustainable decarbonization, that the Law incorporates in a systematic way the full range of "just transition" principles, establishing that EU national

policies should not "leave anyone behind".

> **Enel supports the reform of the EU ETS that needs to be strengthened to pursue the increased EU climate ambition and supported by a Carbon Border Adjustment Mechanism**. The Linear reduction factor should be increased to deliver the additional emission reductions required to EU ETS sectors and to provide a clear price signal to the market. The Market Stability Reserve should be adjusted to increase price stability balancing the market surplus. Introducing road transport and buildings sectors in the ETS should be approached with caution as it may undermine the reliability of the short to medium term carbon price signal with significant negative impacts on the just transition. The price uncertainty and volatility may have repercussions on final consumer energy bills, EU industrial competitiveness as well as long term price signals. It may also undermine the effectiveness of existing EU regulation in those sectors such as the Energy Performance of Building Directive and the CO2 standard in transport regulation. Finally, Enel supports the adoption of the Carbon Border Adjustment to provide higher climate ambition while reducing carbon leakage risks. The implementation of the mechanisms should go side by side with intensified discussions over increased climate ambition with EU's main global trading partners.

> **Enel supports a revision of the Effort Sharing Regulation to exploit the decarbonization potential of final uses of energy in the increased EU climate ambition.** The revision should consider updating upwards the ESR targets by Member State in line with the 2030 increased ambition. Ambition needs to be aligned with 2050 climate neutrality, to avoid lock-in in emitting infrastructure, but price impacts needs to be smoothened. Multiple environmental benefits enable a deviation from cost-efficiency criteria as decarbonization of transport and buildings brings about environmental benefits not accounted in GHG costs. The overall burden sharing should balance cost efficiency and at the same time favor a fair allocation of efforts.

> **Enel welcomes the Commission communication on an EU Methane Strategy and the further proceedings on a legislative proposal to reduce EU-related methane emissions from fossil fuels, as both acknowledge methane as a relevant contributor to GHG emissions.** Enel emphasizes that the new legislative proposal to reduce methane emissions in the oil, gas and coal sectors should tackle energy-related methane emissions from a structural point of view, taking into account the impact of direct and indirect methane emissions in terms of climate warming and air quality when planning new investments and assessing new energy and climate policies.

> **Enel supports an upwards revision of the 2030 EU energy efficiency headline target of at least 35%, needed to reach the increased GHG emission reduction ambition by 2030.** To achieve the ambition of net zero emissions in 2050, significant gains on energy efficiency are needed. The study "Sustainable paths for EU increased climate and energy ambition" supported by the Enel Foundation and other sources point to increase the EU energy efficiency headline target to at least 35% from current 32,5% in order to reach a 55% GHG reduction by 2030. The revision of the Directive should consider the potential benefits of setting sectoral targets.

> **Enel welcomes the Commission's initiative to revise the Renewable Energy Directive**. Enel believes the key contributions to decarbonize in a cost efficient way the energy sector, as well as buildings, heating and cooling, transport and industry will come from the further electrification of final uses (direct electrification and indirect electrification for hard-to-abate sectors via renewable hydrogen). Within such context, low-carbon fuels should be excluded from the scope of this Directive. Enel believes that the EU regulatory framework needs to provide long-term predictability to investors as well as streamlined and harmonized permitting procedures. Finally, Enel supports a technology neutral approach, while creating the conditions for fully sustainable technologies to compete on a level playing field in efficiently delivering the overarching targets of decarbonization, penetration of renewable resources and energy efficiency.

> **Within the EC hydrogen strategy, the Enel Group is actively promoting the renewable hydrogen** (i.e. produced via electrolysis fed by 100% RES power). Enel believes this to be the only truly sustainable production pathway for hydrogen, at zero greenhouse gas emissions and fed by renewable sources. Hydrogen is best used as a complement to electrification, and not as competitor. It has an efficient role to decarbonize those parts of the economy that cannot be easily or economically electrified, i.e. the hard-to-abate sectors, such as heavy industry, aviation, shipping.

> **Within the smart and sustainable mobility strategy the Enel Group is actively promoting the Electric mobility** as the key factor in reducing emissions from road transport, reaching EU energy efficiency objectives and represent the clear pathway towards zero-emission mobility goal of EU. The electrification of transport sector will increase European energy independency and unlock flexibility benefits for the grids to better integrate renewable energy sources. The commitment of the European power sector to fully decarbonize electricity "well before 2050" will also contribute to decarbonize the transport sector. To reach the overarching emissions reduction goals of European Union and allow the decarbonization of transport sector it is crucial the rapid and full-deployment of electromobility at EU level.

> **Enel fully supports the EU Renovation Strategy and is actively engaging in the discussions preparing the revision of the Energy Performance of Buildings Directive and other EU legislation relating to buildings.** The building sector is one of the sectors most lagging behind in decarbonization. Critical issues exist in terms of value chain, building efficiency, building smartness, choice of energy source. Enel believes it can contribute substantially to the decarbonization of the building sector with efficient electric technologies such as heat pumps, by improving the building's efficiency through digitalization, by making buildings dynamic elements of energy system providing storage, demand side response, EV charging.

> **Enel's engaged different stakeholders on The EU Commission's New Circular Economy Action Plan, emphasizing the importance of ensuring the circularity of key supply chains** especially in the areas of EVs, batteries and renewable energy technologies. Furthermore, Enel's advocacy highlighted the methodological need to develop appropriate circular economy metrics on one hand, while on the other focus on the high potential urban environment through the implementation of clear smart city circular visions.

> **Within the Zero Pollution dossier and other environmental dossiers the Enel Group is actively promoting maximizing the synergies between decarbonization policies and other environmental policies**. Within such context the synergies between climate and air quality policies is maybe the most critical one and electric technologies can play a key role in fighting climate change, improving local air quality and increasing the circularity of the EU economic system. Land and soil management is vital to a circular economy and therefore the new soil strategy should consider the re-purposing of decommissioned industrial sites and reuse of brown fields to avoid further land take and soil pollution.

In addition to the position outlined above on specific issues, the Enel Group actively contributes within the debate of how to best upscale action to address the climate change challenge. Such activities included the following:

> **Enel has had an active role during several preparatory events toward the next COP 26 of Glasgow**, dealing with different climate change policy issues, such as the climate ambition/net-zero challenge, carbon pricing schemes and international carbon markets.

> **Enel's GSEP's 2019-20 Presidency focused on exploring electrification partnerships along and across industrial value chains**. The Global Sustainable Electricity Partnership (GSEP) is a unique CEO-led alliance of leading global electricity companies promoting

electrification and sustainable energy development. Enel's advocacy activities during the 2019-2020 presidency of the alliance led to the GSEP's annual report "Building the electrification alliance: Bridging along and across value chains" launched through a global virtual event in late November.

- **Enel supported the IETA in its 2020's action plan focused on exploring how emission trading can facilitate an increase in ambition in both the private and public sector**. The IETA promotes full consistency with the transparency rules and the accounting standards under Articles 5 and 6 of the Paris Agreement, the Carbon Offset and Reduction Scheme for International Aviation and standards developed within voluntary markets. During 2020 IETA's activities focused on exploring how emission trading can facilitate an increase in ambition in both the private and public sector in order to ensure full consistency with the goals set forth by the Paris Agreement.
- **In 2020 Enel engaged the Moroccan, Peruvian and EU governments and stakeholders through the development of Energy Transition Roadmaps (ETRs) in order to contribute to the implementation of the Paris Agreement**. ETRs are held with an open approach, sharing technical knowledge and policy views with National and International Stakeholders. The ETRs aim to fully exploit the three key levers of emission free electricity, digitalized grids and electrification, developing consistent, transparent and stable policy and regulatory frameworks needed to trigger the private sector action called upon by the Paris Agreement and promoting up-scaled and streamlined climate financing tools and market mechanisms capable of mobilizing the investments needed to fight climate change.

Enel's participation in associations and organizations

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The Group plays an active role in various sector associations and organizations with the objective of promoting topics regarding energy transition and climate commitment on a national and global level.
Enel commits to ensure that the various industrial associations and think tanks to which it is a member operate in compliance with the goals of the Paris Agreement. Therefore, Enel systematically checks the consistency of the associations' positions with the climate policies shared at Group level. This process is guaranteed at two stages: (i) before joining the Association, though an in-depth analysis of the entity's statute; (ii) after joining the Association, either by taking positions of responsibility within the Association or by influencing the associations' positioning within the working groups.
Where the association external positioning is not aligned with Enel's own view, the company assesses whether the misalignment might be harmful for the effectiveness of Enel's own advocacy and positioning and might eventually decide to step out of the association. As an example, in the last years, we have withdrawn our participation in some associations whose view on climate policies and on how to deliver the energy transition was persistently different from our own.
For what specifically concerns the European framework, in 2020 Enel engaged in various energy relevant associations (foremost Eurelectric, Wind Europe, Solar Power Europe, EASE, EDSO, SmartEn) and prestigious think tanks (Bruegel, Friends of Europe) as well as in some sustainability policy oriented initiatives, holding also relevant positions in their governance systems. In particular, the most relevant developments over the course of 2020 are:

- appointment of Enel representative as Chair in the Electrification & Sustainability Committee in Eurelectric and of Enel representative as Chair in the working group on social sustainability;
- appointment of Enel executive as EASE Chairman;
- appointment of Enel executive as Chairman within the Executive Committee of ETIP SNET (technology pillar of the EU's energy and climate policy);
- appointment of Enel Board member in the Battery European Partnership Association (BEPA);
- appointment of Enel President in Solar Power Europe (solar PV leading association in Europe).

Enel influences the associations' activities on the decarbonization policies thanks to the participation of Enel representative in the working groups and through studies and policy papers. As the EU and national governments set out to implement a range of climate policies, Eurelectric and the Enel Foundation launched the flag-ship study, "E-quality". The study provided an analysis of how some types of policies affect households with different incomes, what can be done to address any disproportionate effects and what will be the impact of Covid-19 crisis in this process. In October 2020, as EU was preparing to launch the Recovery package that aimed to speed up the climate transition to climate neutrality by 2050 while at the same time reigniting the EU economy, Eurelectric advocated for this package to support the digital and climate transition.
Some of the international associations with which Enel collaborated actively in 2020 are listed below.

		Main Climate Policy Positions			
Industry association	**Description**	**Level of alignment to Enel Climate position**	**Main actions**	**Enel's main role in the association**	**Main actions developed in 2020**
Eurelectric	The Union of the Electricity Industry - Eurelectric is the sector association which represents the common interests of the electricity industry at pan-European level, plus its affiliates and associates on several other continents. The association counts 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 for the industry in public affairs and promotes the role of a low-carbon electricity mix.	Enel is well represented in the association, with over 40 representatives from Group companies in Italy, Spain and Romania, holding key positions within the association (at decision level structures – Committees, such as the Electrification and Sustainability Committee or the Sustainability Working Group.	Co-conduction of studies (e.g. "E-Quality") Support for the studies on grids, consumers and fleet electrification. Supporting positions on the Recovery package definition. Enel chairmanship of the European Social dialogue during 2020 tackling matters like just energy transition and upskilling/reskilling programs in partnership with Trade Unions.
Wind Europe	Wind Europe is the voice of the wind industry, actively promoting wind power in Europe and worldwide, with over 450 members and active in over 40 countries.	High	Through effective communication and its engagement in the political decision-making processes, Wind Europe facilitates national and international policies and initiatives that strengthen the development of European and global wind energy markets.	Enel has been part of the Board and is active in more than 12 working groups and task forces.	Enel has been active specially in the main policy topics like "Inception Impact Assessment for the revision of Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources" through the WG Electrification and WG Market & Regulation.
SolarPower Europe	SolarPower Europe is a member-led association representing organizations active along the whole value chain, aiming to shape the regulatory environment and to enhance business opportunities for solar power in Europe.	High	Some of the objectives of the association refer to successfully positioning solar-based energy solutions with policymakers at the European level, producing thought leading energy market analysis, ensuring solar-based energy solutions have access to financing and funding.	In March 2020, Enel started to hold the Presidency of SolarPower Europe.	During 2020, Enel had an active role in the Emerging Markets Workstream, in particular in the draft of SolarPower's position paper "The role of solar in the Green Deal Diplomacy", the EU Strategy with Africa and the global green recovery.
The European Association for Storage of Energy (EASE)	EASE is the leading member-supported association representing organizations active across the entire energy storage value chain.	Medium	EASE promotes the role of energy accumulation in a decarbonized energy system.	During 2020 Enel started to hold the Presidency of the association. Enel is also present in the various committees such as Technical and Value Assessment Committee and Strategy Committee and various task forces and working groups.	Contribution to the Association's response on the EC consultation on "sustainability and smart mobility strategy" and "Future EU Strategy for Smart Sector Integration" and worked on many position papers such as "Hydrogen strategy".
Bruegel	Bruegel is the most important European think tank specializing in economics.	Medium	Bruegel carried out some studies and policy papers on energy transition (e.g. "Green industrial policy" blueprint issued in December).	Enel holds a position in the Board, contributing to focus the think tank attention on the Green Deal and overall sustainability topics.	In March, Enel supported Bruegel in organizing an event "Empowering the recovery" where Mr. Starace and Mrs. Kadri Simson - European Commissioner for Energy - attended as speakers.

		Main Climate Policy Positions			
Industry association	**Description**	**Level of alignment to Enel Climate position**	**Main actions**		**Main actions developed in 2020**
Friends of Europe	Friends of Europe is one of the most influential think tanks in Europe that aims at stimulating discussion on key global and European issues that span political, economic, social and environmental challenges.	Medium	To support energy transition and climate commitment policies, Friends of Europe usually publishes articles on its website and organizes events with industry, institutional representatives and civil society.	Enel is a key member and therefore participates in the State of Europe debate which is the biggest and most high-level event organized by Friend of Europe in Brussels every year.	In 2020 Enel participated at high level events: one is "Europe's climate and energy summit 2020" and the other "Shifting investments for a green recovery" where Alberto De Paoli attended talking about the role of private sector in sustainable finance.
SmartEn	SmartEn is the association of market players driving digital and decentralized energy solutions.	High	SmartEn brings about the energy transition by intelligent cooperation between consumption, distribution, transmission and generation, acting as equal partners in an integrated energy system.	Enel takes part in the association, having a representative in the Board and also at working group and task force level.	Enel had a relevant contribution in the implementation of the Electricity Market Design to Drive Demand-Side Flexibility report.
RES4Africa	RES4Africa gathers a network of international leaders from across the clean energy value chain and supports the creation of an enabling environment for renewables investments and strategic partnerships. RES4Africa functions as a bridge between members and partners of emerging markets for an exchange of perspectives and expertise.	High	The initiative called "renewAfrica" was officially launched at European level. It is a European multi-stakeholder backed initiative to accelerate Africa's sustainable energy transition. It seeks to catalyze transformational renewable energy investments that will foster the continent's future sustainable development. RES4Africa is a member of the Africa-Europe Foundation, a new platform founded by Friends of Europe and Mo Ibrahim Foundation to facilitate multistakeholder dialog, catalyze collaboration and unlock new opportunities that can transform dialogue into action. In particular, RES4Africa is member of the Africa Europe Strategy Group on Sustainable Energy	Enel Green Power is one of the funding members and holds the presidency of the Association.	Enel is well represented within the 4 task forces created, in particular representatives from Enel Brussels office are in the Advocacy task force supporting the organization of meeting with the main European Institutions representatives.
Sustainable Energy for all (SEforAll)	SEforAll is an international non-profit organization - launched as an initiative from former United Nations Secretary General Ban Ki-moon - which collaborates with the private sector, civil society, institutions and governments to support the sustainable development goal on energy (SDG 7).	High	Enel has been a partner of SEforAll since 2011 and the Enel's CEO was appointed chairman of the organization's Administrative Board in 2020, a position he will hold until 2023.	Enel was particularly active in 2020, also in light of the Chairmanship of the CEO on the Board, and collaborated with the organization for the definition of the new 2021-2023 workplan, centered on four pillars: Energy Diplomacy and Advocacy, Energy Access and Closing the Gap, Energy Transitions and Climate and Intersection with Other SDGs.	SEforALL supports the progress of SDG 7 and the Paris Agreement. In fact, the organization pursues the targets of SDG 7 aimed at: guaranteeing access to affordable, reliable and modern energy services, increasing the share of renewable energy in total energy consumption by 2030 and doubling the global rate of energy efficiency improvement.

The Enel governance model to tackle climate change

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Competences of corporate bodies in relation to climate change

Enel's organizational and corporate governance model defines specific tasks and responsibilities for which the Company's main governance bodies are responsible, guaranteeing that the risks and opportunities related to climate change are suitably taken into consideration during all important company decision-making processes.

The Board of Directors of Enel SpA:

- is responsible for examining and approving the corporate strategy, including the annual budget and the Industrial Plan, which incorporate the Group's main objectives and actions, also as concerns topics of sustainability, that the Company plans to undertake to lead the energy transition and tackle climate change, promoting a sustainable business model that creates long-term value;
- performs a guidance role and provides an evaluation regarding the suitability of the Internal Control and Risk Management System ("ICRMS"); defining the type and level of risk compatible with the strategic objectives of the Company and the Group, including risks related to climate change;
- during 2020, it addressed climate-related matters, reflected in the strategies and company and sustainability operations, in 12 of the 16 meetings held, it also had the possibility to address the following issues in more depth: (i) an in-depth investigation into future climatic scenarios, also in order to define the Group's strategy, in consideration of the relative risks and opportunities, (ii) the management of impacts on the workers of the just transition and decarbonization, with planned upskilling and reskilling programs, (iii) the analysis of the expectations of investors regarding climate change by means of updates for the relative engagement activities, (iv) the inclusion of the fight against climate change and the reduction in direct and indirect emissions among the parameters taken into consideration for analyzing the Group's positioning with regard to its peers;
- is supported with regard to climate change mainly by two committees of directors: the Corporate Governance and Sustainability Committee and the Control and Risk Committee.

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;
- regarding climate change issue it examines, for example, the climate objectives defined in the Sustainability Plan and the structure of the content regarding climate change as reported in the Sustainability Report, issuing their prior opinion to the Board of Directors;
- held 11 meetings in 2020, in 4 of which they addressed issues connected with climate and their impact on strategies, business operations and sustainability.

The Control and Risk Committee:

- is responsible for supporting the Board of Directors' assessments and decisions relating to the ICRMS, also as concerns climatic risks and those relating to the approval of periodic financial reports;
- examines the contents of Sustainability Report, which includes the Consolidated Non-Financial Statement (NFS), relevant for the purposes of the ICRMS and containing the corporate disclosure on climate, issuing a prior opinion to the Board of Directors, called to approve that document;
- held 12 meetings in 2020, in 5 of which they addressed issues connected with climate and their impact on strategies, business operations and sustainability.

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 2020 specifies that the short- and long-term variable compensation of the Chief Executive Officer/General Manager and key management personnel is connected, among others, 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 the fight against climate change through decarbonization and the electrification of consumption;
- during 2020 the Chairman also chaired the Corporate Governance and Sustainability Committee.

The Chief Executive Officer:

- in exercising all his rights for managing the Company, the CEO has defined a sustainable business model by identifying a strategy targeted toward guiding the energy transition toward a low-carbon model; furthermore, always within the scope of the assigned powers, the CEO manages the business activities connected to Enel's commitment to the fight against climate change;
- reports to the Board of Directors on the activities carried out when exercising the proxies, also including the business activities in line with Enel's commitment to tackle climate change;
- is the director in charge of the ICRMS as regards the management of company risks, including those connected to climate change.

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 managing the strategic and financial planning process aimed toward promoting a sustainable business model by putting the fight against climate change at the center of its strategy.

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 the fight against 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 the fight against 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 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 Company's remuneration policy includes different mechanisms in order to progress toward energy transition, in particular:

- a **variable short-term remuneration** (MBO) that can include objectives relative to the specific company function of each manager. For example, they can include objectives related to the development of renewable energies for the managers in the Global Power Business Line or related to energy transition solutions in the Enel X Global Business Line;
- a **long-term variable remuneration** that, starting in 2018, includes a quantitative climatic objective, that is, the reduction of Enel Group CO_2 emissions per kWh_{eq}

The Enel governance model to tackle climate change

CHAIRMAN

Functions

Control of the climate change strategy

Coordination of the Board of Directors

BOARD OF DIRECTORS

CONTROL AND RISK COMMITTEE

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

Functions

Control of the climate change strategy (risks, planning and disclosure)

CHIEF EXECUTIVE OFFICER

Functions

Definition and control of the sustainable business model for guiding the energy transition

MANAGEMENT LEVEL

HOLDING FUNCTIONS

GLOBAL SERVICE FUNCTIONS

GLOBAL BUSINESS LINES

REGIONS AND COUNTRIES

Functions

Definition of the Strategic Plan and measures for managing the risks and opportunities related to climate change and energy transition

GROUP INVESTMENTS COMMITTEE

Functions

Approval of investments aligned with Enel's climate change related objectives

over the next three years, which represents 10% of total long-term variable retribution. Furthermore, the new Long-Term Incentive (LTI) system assigned to the CEO and top management for 2020 includes for the first time a new objective related to the growth of renewable net consolidated installed capacity in comparison to the total net consolidated installed capacity, which represents 15% of the long-term variable retribution.

Enel's impact on climate change

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

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 minimize 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.

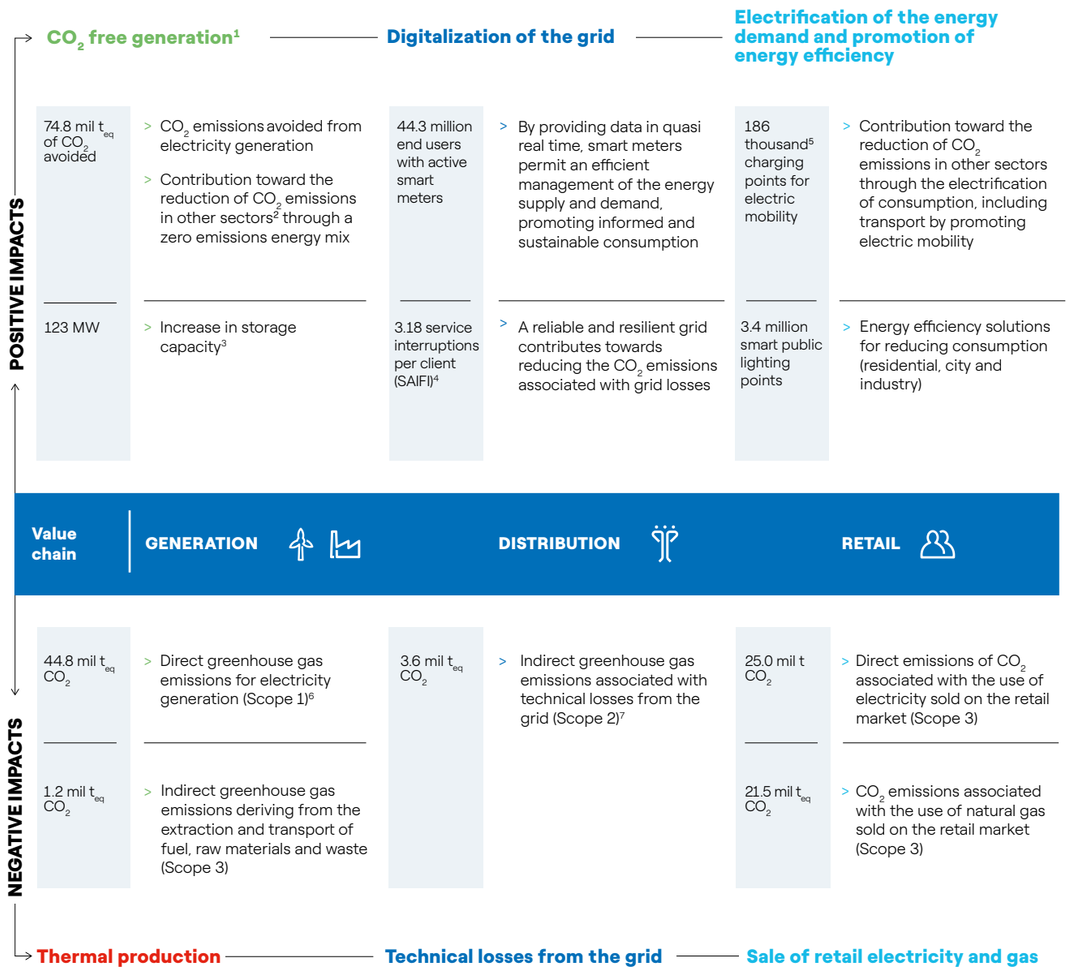
Enel's generation from fossil fuels (mainly coal and gas) has traditionally represented the main source of greenhouse gas emissions. In particular, in 2020 the direct emissions (Scope 1) related to generation from fossil fuels were equal to about 44.8 mil t_{eq} CO_2, whereas indirect emissions (Scope 3) related to the extraction and transport of fuels were equal to 1.2 mil t_{eq} of CO_2 (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 2020 equal to 2.8 GW compared to 2019. In parallel, the Group is increasing the development of renewable capacity that, together with the contribution of nuclear generation, has avoided 74.8 mil t_{eq} of CO_2 emissions. Furthermore, Enel is actively committed to the development of electricity storage systems that support the integration of renewable capacity, with a total installed capacity of 123 MW in 2020. 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, equal to 3.6 mil t_{eq} of CO_2 in 2020 (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.

With regard to the **end customer**, even if Enel does not have a direct impact in terms of greenhouse gas emissions in the retail market, the use of products sold by its own customers generates greenhouse gas emissions that are accounted for as indirect emissions (Scope 3). In particular, the emissions connected to the use of electricity sold to customers equaled approximately 25.0 mil t_{eq} of CO_2, whereas those related to gas sold equaled 21.5 mil t_{eq} of CO_2. Enel regularly monitors these emissions and adopts measures aimed at minimizing 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, with Enel X the Group is promoting the deployment of charging infrastructures for electrical vehicles (186 thousand charging points installed in 2020[1], the development of energy efficiency solutions, distributed generation, consultancy services, smart public lighting and circular cities.

(1) Installed public and private charging stations. Includes interoperability points, net of which there are 105 thousand charging stations installed at the end of 2020

Enel's impact on climate change in 2020



(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 "Global Power Generation" Business Line.
(4) SAIFI, System Average Interruption Frequency Index.
(5) Public and private charging points installed. Includes interoperability points, net of which there are 105 thousand charging points installed at the end of 2020.
(6) Other Scope 1 emissions were indicated in the paragraph "Enel's carbon footprint. See the paragraph "Greenhouse gas emissions" for further details.
(7) Other Scope 2 emissions were indicated in the paragraph "Enel's carbon footprint. See the paragraph "Greenhouse gas emissions" for further details.

Climatic 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, the evaluation of investments and extraordinary corporate transactions. The role of climate change in these scenarios is increasingly important and produces analyzable effects in terms of:

- **acute phenomena** (heat waves, flooding, hurricanes, etc.) and their potential impact on industrial assets;
- **chronic phenomena** related to structural changes in the climate, such as the rising trend in temperatures, rising sea levels, etc., which can cause, for example, changes in the output of generation plants and in electricity consumption profiles in the residential and the commercial sector;
- **transition** of the various industrial and business sectors toward a green economy characterized by ever lower emissions of climate-altering gases.

The issues connected with future trends in climate variables (in terms of acute and chronic phenomena) define the so-called "**physical scenario**", while the issues associated with the industrial and economic transition toward solutions to reduce atmospheric concentrations of CO_2 are the characteristic elements of the "**transition scenario**". The scenarios are created within the scope of a complex framework that ensures coherence between climate projections and the transition assumptions, within which to evaluate the phenomena identified in a short, medium and long-term period.

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 International Centre for Theoretical Physics (ICTP) of 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 the large amount of data underlying the scenarios, and the identification of the methodologies and metrics needed for interpreting complex very high-resolution phenomena require a continuous dialog with both external as well as internal references. For this purpose, the Group is using a platform approach, using 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:

1. **identification of phenomena relevant for business** (for example, the impact on electric demand, heat waves);
2. **development of linking functions between climatic/transition scenarios and operational variables**;
3. **identification of event trends based on scenario data** (for example, intensity and frequency);
4. **impact calculation** (for example, variation in margins, damage, Capex);
5. **strategic actions**: definition and implementation (for example, resilience plans, capital allocation).

The physical climate scenario

The Group has selected three of the climatic projections developed by the "Intergovernmental Panel on Climate Change" (IPCC) on a global scale, characterized by a specific emissions level connected to the so-called "Representative Concentration Pathway" (RCP) as shown in the following table.

In the RCP 8.5 climate projections, the geographical areas of the Mediterranean and Central/South American will suffer an impact in terms of temperature increase and rainfall

SCENARIO	AVERAGE TEMPERATURE INCREASE IN COMPARISON TO PRE-INDUSTRIAL LEVELS (1850-1900)
RCP 2.6	**~ +1.5 °C by 2100** (the IPCC estimates a 78% probability of staying below +2 °C)[1]. 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
RCP 4.5	**~ +2.4 °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 [2]
RCP 8.5	**~ +4.3 °C by 2100.** Compatible with a worst case scenario where no particular measures are taken to combat climate change

(1) IPCC Fifth Assessment Report, Working Group 1, "Long-term Climate Change: Projections, Commitments and Irreversibility".
(2) Climate Action Tracker thermometer, global warming estimates for 2100 considering the current "Pledges&Target" (updated as of December 2020).

reduction. These effects will become more pronounced in the second half of the century and the impact increasing up to 2100. In the RCP 2,6 scenario, the effects will be similar but less intense, with the trend slowing in the second half of the century, thereby producing a substantial differential between the two scenarios in 2100.

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 Earth Sciences department of the ICTP of Trieste. As part of this collaboration, the ICTP provides projections for the main climate variables with a grid resolution that varies from approximately 12 km^2 to approximately 100 km^2 and a forecast horizon of 2030-2050. The main variables are temperature, rainfall and snowfall and solar radiation. With respect to the analysis carried out in 2019, the current study is no longer based on the use of only one regional climate model (the one from ICTP) but is based on the combination of three models that are selected as representatives of the ensemble of the climate models currently found in literature. This technique is usually used in the scientific community to obtain a more robust analysis that is free of bias, mediated by the various assumptions that could characterize the single model.

In this phase of the study conducted in 2020, the future projections were analyzed for Italy, Spain and Brazil obtaining, also due to the use of the ensemble of models, a more definite representation of the physical scenario.

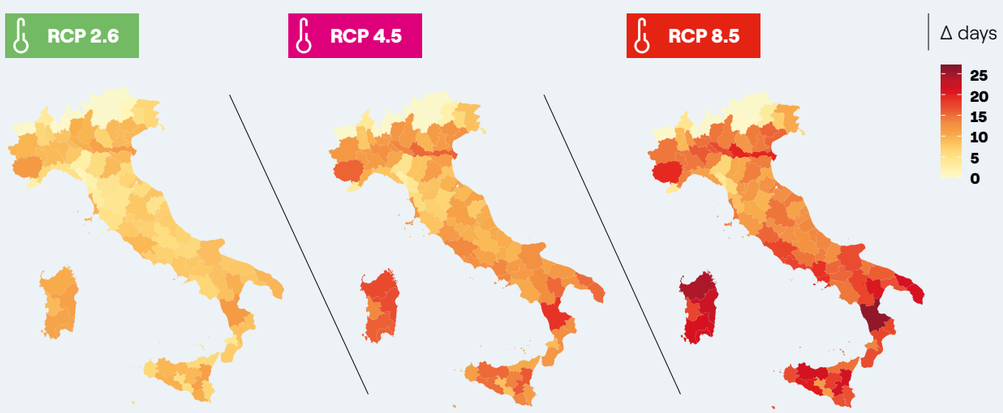
The analyses performed on the physical scenarios considered both chronic and acute phenomena. Some of these phenomena require an additional level of complexity, as they do not only depend on climatic trends but also on the specific characteristics of the territory, and require an additional modelling activity for their high-resolution representation. For this reason, in addition to the climate scenarios provided by ICTP, the Group also uses the Natural Hazard map.

This tool provides, with high spatial resolution, the return times for a series of events, such as, for example, storms, hurricanes and floods. The use of this tool, 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: the heat waves were defined in collaboration with the ICTP and Infrastructure and Networks to obtain a description of the climate phenomenon most suitable for characterizing the critical event for business. The identified conditions (at least five straight days of high temperatures without precipitation) were searched for in the 2030-2050 projections supplied by ICTP, finding an increase in this phenomena both in terms of frequency and geographic distribution in all the analyzed scenarios. In particular, a considerable worsening of the RCP 8.5 scenario was found, especially on the islands and in the southern areas of the country.

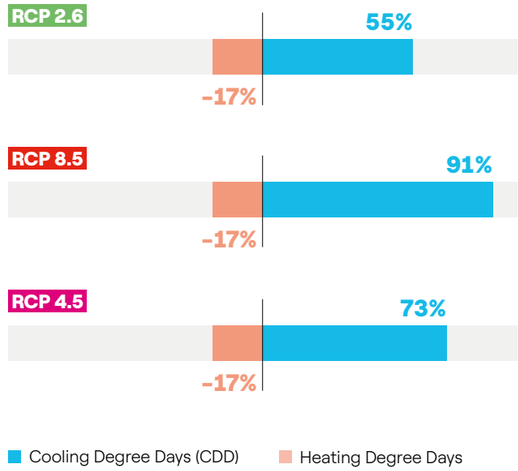
AVERAGE NUMBER OF HIGH TEMPERATURE DAYS IN THE VARIOUS RCP SCENARIOS COMPARED WITH HISTORIC VALUES (1990-2017)



In these scenarios, the intensity of extreme rain and snowfall events increases, but their frequency declines compared with historic trends.

Also the risk of fire can be conditioned by climate change. The Group performed an analysis using the Fire Weather Index (FWI), which takes factors such as relative humidity, precipitation, wind speed and temperature into account. The days at extreme risk were selected during the 2030-2050 period and compared with those during 1990-2010. In all the analyzed scenarios, there was an increase in days at extreme risk compared to historical values, with different intensities on a geographical level. In some regions, the RCP 2.6 scenario shows a slightly higher number of days at extreme risk compared to other scenarios (RCP 4.5 and RCP 8.5), due to factors such as less humidity, which contribute toward the assessment of the fire risk.

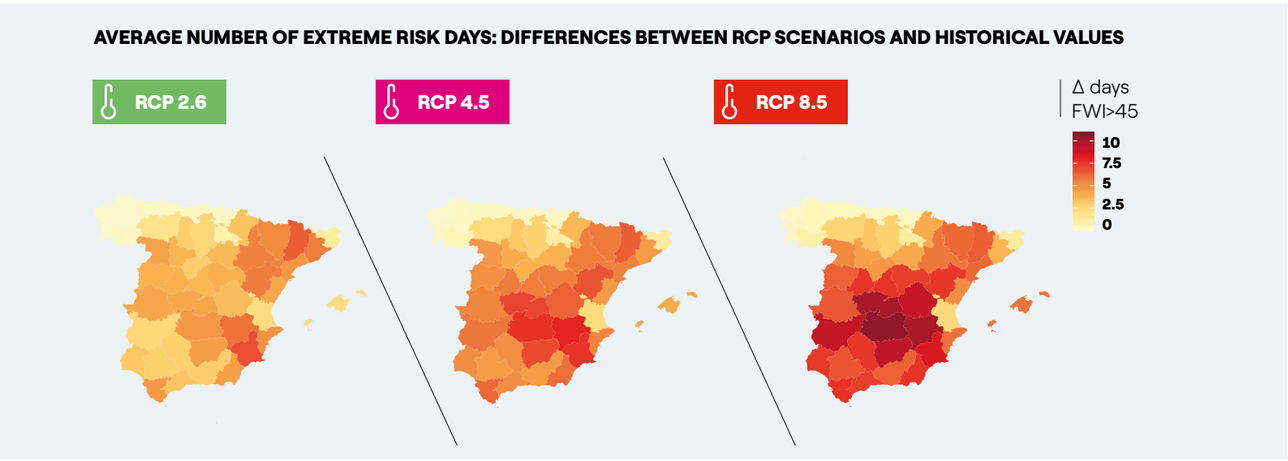
Chronic phenomena: the average annual temperature is expected to increase over the 2030-2050 period with increases in all the analyzed scenarios. In particular, for the 2030-2050 period, an average temperature increase, in comparison to the pre-industrial period, of approximately 1.4 °C is expected and within an interval between 1.1 and 2.0 °C for the RCP 8.5 scenario. In the RCP 4.5 scenario, instead, an increase is expected between 1.0 and 1.7 °C with an average value of approximately 1.3 °C, whereas for the RCP 2.6 scenario, the interval is 0.9-1.5 °C with an average value of approximately 1.2 °C. The differential between the RCP 2.6 scenario and the RCP 4.5 and 8.5 scenarios will increase significantly during the second half of the century. Chronic changes in temperature can be analyzed to obtain information on the potential effects on cooling and heating demand in local energy systems. As indicators for the measuring of the heating requirements, Heating Degree Days (HDD) were used, which is the sum, extended to all days of the year with $T_{average} \leq 15$ °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 $T_{average} \geq 24$ °C, of the differences between the $T_{average}$ and T_{indoor} (assumed as 21 °C), respectively for heating and cooling requirements. During the 2030-2050 period(2), there is a 17% reduction in the need for heating compared to 1990-2017, which remains constant in all the scenarios, whereas the CDD always remains higher with respect to historical data, with a growing trend passing from the RCP 2.6 scenario (+55%) to RCP 8.5 (+91%).



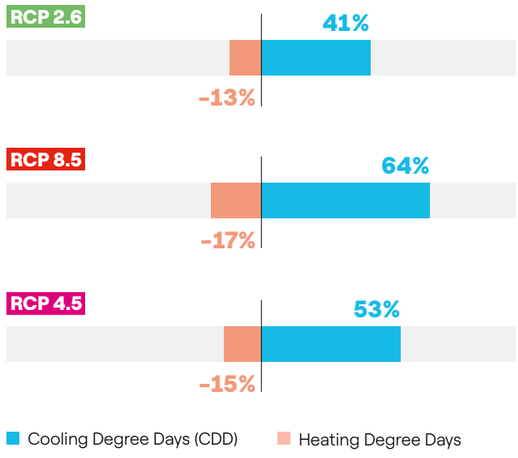
It should be pointed out that, with respect to the analysis performed in 2019, the RCP 4.5 scenario was introduced, and the ensemble of multiple models was used as the database, as previously described. Furthermore, to give more importance to the more populated areas, the HDD and CDD were calculated as an average by country, weighing every geographical node by its population through the use of the Shared Socioeconomic Pathways (SSPs) associated with each scenario.

(2) The value of the FWI index considered for identifying the days at extreme risk is based on the analysis of historical data and on references supplied by the European Forest Fire Information System (EEFIS).

Spain

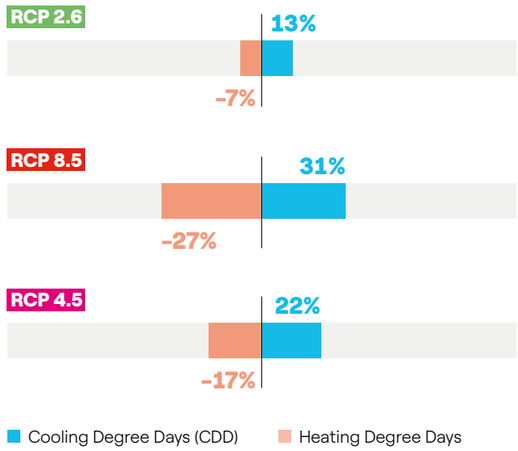


Acute phenomena: over the 2030-2050 period, heat waves are expected to increase appreciably in frequency, with their geographical spread expected to expand, especially in the southern area of the country. Extreme rainfall will increase in intensity but its frequency will decline. At the same time, extreme snowfalls will largely remain located in the current geographical areas but their frequency and intensity could decline sharply. As regards the fire risk, the number of days at extreme risk is higher in the RCP 8.5 scenario compared to the RCP 2.6 scenario, and always with an increase in comparison to the historical average.
Chronic phenomena: the average annual temperature is expected to increase over the 2030-2050 period with increases in all the considered RCP scenarios. In particular, for the 2030-2050 period, an average temperature increase, in comparison to the pre-industrial period, of approximately 1.4 °C is expected (in an interval between min +1.2 and max +1.8 °C) for the RCP 8.5 scenario. In the RCP 4.5 scenario, instead, an average increase of approximately 1.2 °C is expected (min 1.0 °C and max 1.5 °C), whereas for the RCP 2.6 scenario, an average increase of approximately 1.0 °C is expected, with an interval between 0.8 °C and 1.3 °C. The differential between the RCP 2.6 scenario and the RCP 4.5 and 8.5 scenarios will increase significantly during the second half of the century. In terms of HDD and CDD, for the 2030-2050 period, compared to the 1990-2017 period, we estimate a reduction in HDD (-13%) and an increase in CDD (+41%) in the RCP 2.6 scenario, and a variation in HDD and CDD respectively equal to -17% and +64% in the RCP 8.5 scenario.



Brazil

Acute phenomena: the trend of acute phenomena in countries very large such as Brazil, can show significantly different trends in the various areas. Our analyses focus on the areas of interest for the Group. For example, the first studies carried out for the State of São Paolo show an increase in heat waves. In Brazil, the climate projections estimate a larger average reduction in precipitations in the north, with extreme phenomena to be analyzed on a local scale. From the first analyses, the number of days with an extreme fire risk seems to be projected with an increase both in the RCP 8.5 scenario and with respect to the RCP 2.6 scenario in comparison to the historical average, with greater criticality in the central-west and north-east areas of the country. As for precipitation, also the fire risk will be analyzed in more depth on a local scale based on the needs of the Group. Keep in mind that these considerations are the result of analyses performed based only on one climate model and not on an ensemble of multiple models, as was done for Italy and Spain.
Chronic phenomena: the average annual temperature during 2030-2050 is expected to increase with respect to pre-industrial levels in every scenario. In particular, for the 2030-2050 period, an average temperature increase, in comparison with the 1850-1900, of approximately 1.6 °C is expected (min +1.2, max +2.1 °C) for the RCP 8.5 scenario. The RCP 4.5 scenario instead foresees an average increase of approximately 1.3 °C (min +1.0, max +1.7 °C), whereas the RCP 2.6 scenario foresees finally an average increase of approximately 1.1 °C with an interval between +0.8 and 1.4 °C. In terms of HDD and CDD, during 2030-2050, in comparison to 1990-2017, there is a reduction in HDD (-7%) and an increase in CDD (+13%) in the RCP 2.6 scenario, passing to HDD and CDD values that arrive respectively to -27% and +31% in the RCP 8.5 scenario.



The transition scenario

The transition scenario refers to the description of how the generation and consumption of energy evolves in various sector in an economic, social 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, increasing energy efficiency, the decarbonization of the electricity sector and the reduction in oil consumption;
- **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), and others. 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;
- **the evolution of technologies for generation**, conversion and energy consumption, in terms of both technical operating parameters and costs.

Based on the described context, the transition scenario framework the Group used as a basis for the impact analysis regarding the risks and opportunities inherent to climate change considers **two scenarios**: one "**inertial**" **(Reference)**, established mainly based on current or announced policies as well as specific internal assumptions regarding the evolution of individual variables of interest, and a more ambitious one (**Brighter Future**), in line with reaching the Paris goals, which presupposes stricter objectives in terms of reductions in carbon dioxide emissions and increases in energy efficiency, as well as the possible acceleration in the reduction in cost of some technologies. This second case involves an incremental growth in electric generation from renewable sources and a greater demand in electricity due to the increased electrification of final consumption, guided mainly by more ambitious objectives in terms of energy efficiency and decarbonization.
If the countries with greatest emissions do not adopt effective decarbonization policies, instead pursuing policies

that produce no change or actually worsen conditions, any particularly ambitious transition trajectories defined on a local level could co-exist with worsening climate change scenarios with respect to the Paris goals. In fact, the ambitions of individual countries regarding mitigation actions are not sufficient on their own to determine long-term trajectories of emissions and the resulting RCP pathways.
To process the transition scenarios related to the countries included in the analysis, the Group has equipped itself with quantitative tools that incorporate assumptions regarding the evolution of policies, technologies and other context variables to produce corresponding projections for energy demand, electricity demand, electricity generation, the penetration of renewables and electric vehicles, etc. In short, all the variables that characterize a national energy system relevant to the Group's activities.
Once the medium-long term transition scenarios have been determined, the adopted scenario framework will make it possible to analyze the longer-term chronic physical effects determined on a local level by the considered climatic pathways. An example is the analysis of the impact the change in temperature has on electric demand. For this purpose, the two scenarios Reference and Brighter Future for Italy and Spain, as previously described, were integrated with the HDD and CDD of RCP 4.5 and RCP 2.6 respectively. This made it possible to quantify the effect that temperature change has on energy demand (total, not just electric) for cooling and heating in residential and commercial sectors. The time period on which the analysis concentrates refers to the period from 2030 to 2050, during which the current European Union policy regarding the goal of carbon neutrality, in both scenarios Reference and Brighter Future, converge in 2050 toward decarbonized and electrified energy systems.
Through the use of integrated energy system models, it is possible to quantify the individual service demands for a country. This level of detail makes it possible to distinguish the specific effects that temperature change can have on energy requirements. Considering the entire time period that was analyzed, the scenario of reaching carbon neutrality faster provided by Brighter Future is more efficient and electrified in comparison to Reference. This difference in the speed of transition involves an average increase in electric demand in the Brighter Future scenario as compared to Reference during 2030-2050 of between 3% and 4%. When also considering the effect of temperature and analyzing the differences between the two scenarios associated with the two different RCP 4.5 and 2.6, there is an average increase in electric demand of less than 1% both for the Reference scenario and for Brighter Future. In the later years, this impact can reach 2%. Considering the coherent view, the potential effect of more ambitious transition scenarios has a more significant impact on electric demand than the increase in temperature resulting from climate change.
With the purpose of further analyzing what effect temperature has on the transition scenarios, and at the same time expand the range of assumptions concerning climate change, a sensitivity analysis was performed associating the Reference scenario with RCP 8.5, as well as RCP 4.5. Assuming such an additional increase in temperature, with the same energy transition, leads to an increase of less than 1% in demand in the Reference RCP 8.5 with respect to the one with RCP 4.5.
If on the one hand the trends regarding day degrees are similar, the substantial difference between Italy and Spain concerns the energy system at 2030. For the latter, in fact, the Reference scenario is very similar to Brighter Future, in line with the national energy plan that already appears very challenging. As a result, the effect of the temperature between RCP 2.6 and 4.5 remains, as for Italy, less than 1% and in the same direction, and the effect relative to transition remains negligible[3].
If for Italy and Spain the role of temperature is contained, Brazil, which is another country of particular interest for the Group, could have a more considerable increase in demand due to the increase in temperature, equal to a few percentage points of total demand. This is caused by the greater demand for cooling expected in the country. These estimates are in any case subject to a considerable degree of uncertainty, given the significant volatility of Brazil's economic growth.

(3) It should be pointed out how the considerable electrification of the heating service in the residential sector in future years could change the direction and the order of magnitude of the effect related to climate change, both for Italy and for Spain.

The strategy for facing 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. Capital employment is in fact centered on decarbonization, through the development of generation assets from renewable sources, in 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 this context, it becomes fundamentally important to extend the strategic vision to the medium-long term. Guided by this need, in November 2020 Enel presented the new Strategic Plan with a vision that arrives up to 2030, with its strategy focusing on the acceleration of the energy transition together with sustainable and remunerative growth to create a significant share value for customers, society and the environment, in addition to an interesting profit for shareholders over time.
Thanks to platform-based models, during this decade utilities will reinforce their guiding role at the vertex of increasingly complex systems, which will include a growing number of distributed generation assets, with an increasingly active role of end customers. A digital platform-based and multi-layer model that connects data and solutions will be of fundamental importance for going through and successfully completing this transformation phase.
As a "platform-based" operator, the Group will be able to take advantage of new opportunities to create value using two complementary business models:

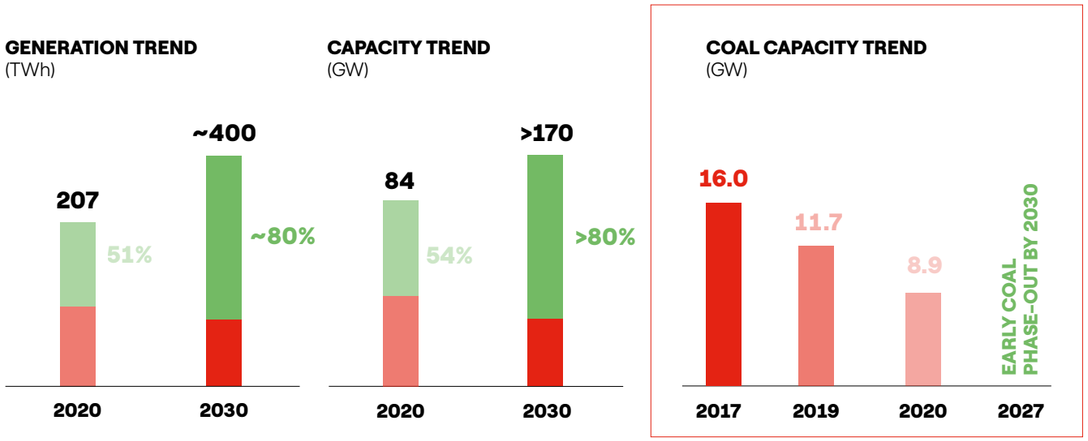
- the **Ownership business model**, in which the platforms are promoters of business to support the profitability of direct investments in renewables, grids and customers and that supports sustainable long-term growth, in which the operative platform-based models also perform an important enabling role;
- the **Stewardship business model**, in which the Group offers services with high added value, products or know-how, by means of platforms that mobilize investments by third parties to maximize the creation of value.

In this way, the Group intends to mobilize 190 billion euros in investments during 2021-2030, promoting decarbonization, the electrification of consumption and the development of platforms for creating shared and sustainable value for all stakeholders and medium- and long-term profitability. The Group intends to directly invest approximately 160 billion euros, of which more than 150 billion euros by means of the Ownership business model and approximately 10 billion euros through the Stewardship model, mobilizing at the same time an additional 30 billion euros from third parties.

2030 vision

Within the scope of **energy generation**, the increase in renewable capacity with the simultaneous reduction in thermal capacity, which includes the early closure of the coal-fired plants by 2027, represent the two main strategic levers that the Group intends to use to reach the decarbonization of its generation mix.

The investments planned for the energy generation activity in the Ownership business model for 2021-2030 include a



total of approximately 65 billion euros for renewable energies, which will make it possible for the Group to add an additional 75 GW of renewable capacity, which will be well balanced between solar and wind, to the actual consolidated 45 GW, for a total of approximately 120 GW of installed capacity in 2030 (2.7 times greater than current levels). The investments mainly concern countries with the integrated presence of the Group, but the various Countries and Regions involved will permit a natural derisking with respect to the volatility of renewable resources. In order to achieve this result, the Group will use the largest pipeline of renewable projects worldwide, around 206 GW at December 2020, together with a global platform-based model for Business Development, Engineering and Construction and Operation and Maintenance activities. Furthermore, Enel is planning to invest an additional 5 billion euros in hybridization of renewable sources and storage stems, whose potential will reach approximately 20 TWh in 2030. Significant opportunities will also arrive from the segment of green hydrogen, for which Enel intends to integrate the electrolyzer in renewable plants that produce electricity for direct sale or for dispatching services, selling green hydrogen also to industrial customers. The Group plans to increase its green hydrogen capacity to more than 2 GW by 2030.

Furthermore, the **distribution grid** plays a central role in the energy transition process as an enabler in the transformation of the electricity market toward renewable sources. Therefore, it is estimated that approximately 46% of the investments as of 2030 regarding the Ownership business model will be dedicated to the Infrastructure and Networks business, with the goal of obtaining improvements in terms of service quality and grid resilience, of increasing the number of connections and improving the level of infrastructure digitalization. Thanks to these initiatives, Enel expects to expand the number of final users to more than 90 million, all of which will have smart meters, from the current 74 million, of which 60% have smart meters.

The remaining part of investments concerning the Ownership business model, approximately 5%, will be dedicated to customers. The Group will have an enabling role in the electrification process by accelerating the customer's path toward sustainability and energy efficiency, combining a traditional offer with "beyond commodity" services. These activities will benefit from the largest customer base on a global level, from digital platforms and a growing integrated portfolio of offers. The Group's strategy will include all segments: B2C (Business to Customer), B2B (Business to Business) and B2G (Business to Government).

As regards the Stewardship business model, during 2021-2030 Enel expects to directly invest 10 billion euros, while mobilizing at the same time approximately 30 billion euros from third parties, for a total investment of approximately 40 billion euros, mainly in renewable energies, in fiber, in electric mobility and in flexibility services.

2021-2023 Strategic Plan

During 2021-2023, Enel plans to directly invest approximately 40 billion euros, of which 38 billion euros through the Ownership business model, mainly in the growth of grids and renewables, and approximately 2 billion euros in the Stewardship model, while mobilizing at the same time 8 billion euros from third parties.

With reference to the **business of renewable energies**, both business models will allow Enel to construct approximately 19.5 GW of new renewable capacity during the three years of the plan:

- within the framework of the Ownership business model, Enel plans to invest a total of 16.8 billion euros, of which 15.7 billion euros for the development of more than 15.4 GW of new capacity, mainly in countries with an integrated presence;
- within the framework of the Stewardship business model, Enel plans to mobilize a total of 3.8 billion euros, of which 500 million euros in direct investments and 3.3 billion euros from third parties. This investment will lead to 4.1 GW of new capacity.

Ordinary EBITDA connected to energy generation is expected to reach approximately 7.7 billion euros in 2023, an increase of 11.6% compared to 7.0 billion euros in 2020. This growth will be driven by the business of renewables, whose ordinary EBITDA is expected around 6.5 billion euros in 2023 (+1.8 billion euros compared to approximately 4.7 billion euros in 2020), but with a drop in ordinary EBITDA for thermal generation to approximately 1.2 billion euros in 2023, from approximately 2.2 billion euros in 2020.

In the **Infrastructure and Networks business**, Enel expects to invest 16.2 billion euros in the three-year period, increasing the average annual investment to approximately 5.4 billion euros. 65% of this amount will be used for improving service quality and grid resilience, approximately 23% for new connections and approximately 12% for digitalization. The ordinary EBITDA of Infrastructure and Networks is expected to be approximately 9.5 billion euros at the end of 2023, with an increase of 23.4% as compared to approximately 7.7 billion euros in 2020.

The remaining amount is associated with the **Customer business**, where the value of residential customers (B2C) is expected to increase approximately 30% in comparison to an increase of approximately 45% for business customers (B2B) as a result of the expansion in the free market customer portfolio and the electrification trends of energy consumption that promote demand for "beyond commodity" services. Finally, in the B2G segment, the Group expects to continue supporting the progress cities are marking toward electric mobility, by adding approximately 200 thousand public charging stations in 2021-2023 and contributing, with direct and indirect investments, to put approximately 5.500 electric buses into service (a 6-fold increase in comparison to 2020).

At the end of the period of the plan, Enel X aims to reach approximately 780 thousand public and private charging points made available on a global level, from 186 thousand in 2020[4] (+6 times), approximately 10.6 GW of demand response capacity from the 6 GW offered in 2020 (+1.8 times), in addition to the 500 MW of stored capacity, from 123 MW in 2020.

The ordinary EBITDA associated with the customer business is expected to reach 4.5 billion euros at the end of 2023, compared with 3.4 billion euros in 2020, with a contribution of approximately 500 million euros of B2C, approximately 400 million euros of B2B, and approximately 100 million euros of B2G.

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 the fight against climate change (SDG 13). Enel expects in fact that approximately 90% of the consolidated investments during 2021-2023 will directly contribute toward this goal. Furthermore, it is estimated that these investments will be aligned with the criteria of European taxonomy, with a percentage between 80% and 90%, considering the substantial contribution toward the mitigation of climate change.

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 ex-

(4) Installed public and private charging stations. Includes interoperability points, net of which there are 105 thousand charging stations installed at the end of 2020

amines 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-climatic events.

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 specific **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 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 from the perspective of three time horizons: short-medium term (1-3 years), in which sensitivity analyses based on the Strategic Plan presented to investors in 2020 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 can potentially 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 **(Italy 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. 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.	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.
Transition	Starting with medium term (2024-2029)	Policy & Regulation	**Risk/opportunity**: policies on CO_2 prices and emissions, energy transition incentives, greater scope for investment in renewables and resilience regulation.	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, networks 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 (2024-2029)	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 trends in the proportion of renewable sources in the energy mix, electrification and the penetration of EVs to estimate their potential impacts.	The Group is maximizing opportunities by adopting a strategy founded on the energy transition and the rapid expansion of **renewable generation** and the **electrification of energy consumption**.
Transition	Starting with medium term (2024-2029)	Product & Services	**Opportunity**: increase in margins and greater scope for investment as a consequence of the transition in terms of greater penetration of new electrical technologies for residential consumption and **electric transportation**.	Trends in the electrification of transportation and residential consumption will potentially have an impact on our business.	The Group is maximizing opportunities thanks to its strong positioning in **new businesses** and **"beyond commodity" services**.
	Starting with medium term (2024-2029)	Technology		Considering two alternative transition scenarios, the Group assesses the potential opportunities to scale up current businesses in response to trends in the electrification of transportation.	The Group is maximizing opportunities thanks to its **strong positioning** in global networks.

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 hydro generation;
- **solar generation**: variation in the average level of solar radiation, temperature and rainfall with a potential increase and/or reduction in solar generation;
- **wind generation**: variation in the average wind level with a potential increase and/or reduction in wind generation.

As regards the effects of chronic physical changes, 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.

Scenario analysis has shown that chronic structural changes in the trends of physical variables will begin to occur in a considerable manner starting from 2030. How-

ever, in order to obtain an indicative estimate of the potential impacts, 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 variables examined are: 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	Time horizon(1)	Description of impact	GBL affected	Scope	Quantification - Type of impact	Quantification - range	<100 €mil	100- 300 €mil	>300 €mil
Chronic physical	Market	Short term	**Risk/opportunity**: Increase or decrease in electricity demand. Electricity demand is also affected by temperature, whose fluctuations can have an impact on our business. Although structural changes should not emerge in the short/medium-term, in order to assess the sensitivity of Group performance to potential temperature variations, we have performed an analysis of sensitivity to changes of **+/- 1**% in electricity demand for the Group as a whole.	Global Power Generation and Global Infrastructure and Networks	Group	EBITDA/ year	+1%	■		
							-1%		■	
Chronic physical	Market	Short term	**Risk/opportunity**: Increase or decrease in renewables generation. Renewables generation is also affected by the availability of resources, whose fluctuations can have an impact on our business. Although structural changes should not emerge in the short/medium-term, in order to assess the sensitivity of Group performance to potential temperature variations, we have performed an analysis of sensitivity to **changes of +/- 10% in potential electricity** output by technology.	Global Power Generation	Group Potential hydroelectric output	EBITDA/ year	+10%			■
							-10%			■
					Group Potential wind output	EBITDA/ year	+10%	■		
							-10%	■		
					Group Potential solar output	EBITDA/ year	+10%	■		
							-10%	■		

(1) Time horizon : short (2020-2022); medium (up to 2030); long (2030-2050).

■ Upside scenario current policies ■ Downside scenario current policies

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.

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. 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**.**

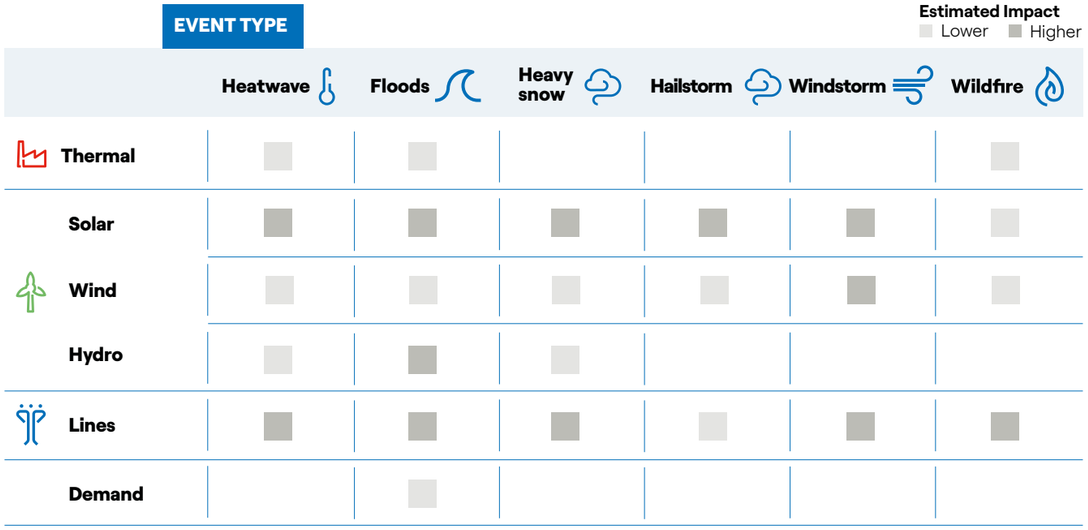
> **The probability of the event (hazard)**, that is its theoretical frequency over a specific period of time, the so-called "return time". A catastrophic event that has a return time of 250 years, for example, implies that it can be associated with a probability of 0.4% that it will occur in a year. 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 point 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 represents 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** – provides 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. In the case of the vulnerability of assets in the portfolio, the priorities of the impact othe various extreme events have on the various technologies have been defined.



Managing the risk of extreme events

Over the short term (1-3 years) the Group, in addition to what was illustrated above in terms of risk assessment and qualification, 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.

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:

- **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;
- **Liability Program**, this 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.

Management of acute physical risks regarding the generation of electricity

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);
- **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.

Furthermore, the Group has performed work for **improving the physical resilience** of its electric generation plants, including:

- 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.

Management of acute physical risks regarding infrastructures and the electricity grid

The Group has prepared **specific policies and actions** targeted toward facing the various aspects and various risks inherent to climate change within the scope of the infrastructures and the electricity grid. In particular:

- **policy for preparation and recovery during emergencies**: 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 for the Resilience Plan of the electricity grid**: their objective is to identify the extraordinary climatic events that will have the greatest impact on the grid. 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. In Italy, this policy is reflected in 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). During 2017-2019, approximately 400 million euros were invested and a similar amount will also be used in the following three-year period (approximately 130 million euros per year), concerning approximately 3 million customers and up to 4,000 km of medium voltage lines. Also in other countries, both in Europe and in South America, similar topics are being analyzed to be able to prepare a process for the planning of *ad hoc* investments;
- **policy on the prevention and preparation of the risk of fire for electrical installations**: an integrated approach for managing emergencies applied to the phenomenon of forest fires, both if they are caused by the grid themselves or if they originated from external phenomena and, in any case, when they are potentially dangerous for Enel's assets;
- **systems for weather forecasting, grid monitoring** and assessing the impact of critical climatic phenomena on the grid.

During 2020, the phenomena of **heat waves** was further analyzed. In light of the climatic scenarios prepared *ad hoc* to assess the extreme event-cost historical correlation, using a particularly critical year as the reference year (2017, selected both due to the intensity of the phenomenon and for its extension through the entire national territory), an initial **estimate was obtained of the possible costs** associated with an increase in the heat waves during 2030-2050. These **estimates of the potential future extra annual** cost were evaluated in the three RCP scenarios (for 2030-2050), demonstrating how in a RCP 2.6 scenario they **do not represent more than 3%** of the annual value of the work planned **in the current 2020-2022 Resilience Plan** described above, just as they do not exceed **5%** in the RCP 8.5 scenario.

The 4R approach for improving the resilience of the electricity grid

Over recent years, in order to deal with extreme climatic events, the Enel Group has adopted **an approach called** "**4R**" which uses a specific policy to define the measures to adopt, both when preparing for an emergency on the grid, and to quickly restore service *ex post*, that is when the climatic events cause damage to the 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. The first, in particular, do not aim to improve the service quality, rather to reduce the risk of prolonged and extended interruptions in the care of rare critical events with a large impact, according to a probabilistic approach;
2) "**Readiness**": includes 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**": is the last 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.

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 main identified risks and opportunities are illustrated below:

Policy and regulation

> **Limits on emissions and carbon pricing**: the enactment of laws and regulations that introduce more stringent emissions limits by government action (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 in other sectors**.**
  - **Opportunities**: command & control regulations and market-based mechanisms strengthening CO_2 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 that recovery could be slower than planned, with an associated reputational risk.

> **Financial measures for 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 subsidized 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

> **Penetration of new technologies**: 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 developing technology solutions.

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 and electrification of industrial consumption**: 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.

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

To instead quantify the risks and opportunities deriving from the energy transition in the long term, two transition scenarios, described in the "Transition scenario" paragraph have been considered for Italy and Spain. The effects on the variables most relevant for business have been identified, in particular in the Brighter Future scenarios, that is the electricity demand (driven by increased electrification of consumption) and the generation energy mix. These considerations offer a basis for determining the Group's strategic positioning in terms of resource allocation. A greater ambition in terms of decarbonization and energy efficiency involves the dynamics related to energy transition that can provide greater opportunities for the Group. In particular, in the retail electricity market, the progressive electrification of final consumption – especially for trans-

port and the residential sector – will lead to a considerable increase in electrical consumption to the detriment of other energy vectors.
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 Brighter Future scenario would have on 2030 results compared to the Reference scenario.
Considering the level of ambition defined in the national plan, the two scenarios in Iberia do not foresee substantial increases in the penetration of renewable energies, and therefore no considerable impacts are estimated resulting from variations in the price of energy.
In Italy, on the other hand, the Brighter Future scenario enables greater penetration of renewable energies, with additional effects on installed capacity, which is partially balanced by a possible reduction in energy prices. Similar effects are highly probably in other Countries and Regions, such as in North America.
In reference to the electrification of consumption, instead, the Brighter Future scenario shows higher penetration rates for the most efficient electrical technologies. In particular, the considerable increase in electrical vehicles and heating/cooling systems that use heat pumps will cause a 5% increase in demand as compared to the Reference scenario, which is estimated to determine positive impacts both on the retail business and on the services offered by Enel X. The greater penetration of heat pumps could also generate a reduction in the sales of gas in the retail area, due to the gradual transition toward the electric carrier; the overall effect is however estimated as being positive from the point of view of EBITDA results, together with a reduction in CO_2 emissions connected to the Scope 3 SBTi goals.
The Brighter Future scenario, as previously seen, will involve a considerable increase in complexities that must be managed by the grids in various countries and regions.
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 demand 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 innovative 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(1)	Description and impact	GBL affected	Scope	Quantification – Type of impact		Quantification – range <100 € mil	100– 300 € mil	>300 € mil
Policy & Regulation	Short/ medium term	**Risk**: Impact on margin due to measures affecting CO_2 price. 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.	Global Power Generation	Italy and Iberia	EBITDA/year	+10% -10%			
Global Power Generation	Medium term	**Opportunity**: Greater room for investment in new renewables capacity. **Risk**: Decrease in power prices due to increased penetration of renewables. Considering the 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.	Global Power Generation	Italy and Iberia	EDITDA 2030/ Brighter vs Reference				

Risk & opportunity category	Time horizon(1)	Description and impact	GBL affected	Scope	Quantification – Type of impact	Quantification – range <100 €mil	100– 300 €mil	>300 €mil
Market	Medium term	**Opportunity**: Increase in margins due to impact of transition on electrification of energy consumption. **Risk**: Increase in competition and possible decrease in market share. Considering two alternative transition scenarios, the Group assesses the impact of trends in efficiency, the adoption of electric devices and the penetration of EVs to estimate its potential effect on electricity demand, including the effect on gas customers associated with the increase in electrification.	End-user Markets	Italy and Iberia	EBITDA 2030 Brighter vs Reference			
Product & Services	Medium term	**Opportunity**: Increase in margins and greater scope for **investment** due to impact of transition in terms of penetration of new technologies and **electric transportation.** Considering two alternative transition scenarios, the Group has assessed the impact of trends in the electrification of transportation and residential consumption to assess the potential effects.	Enel X	Italy and Iberia	EBITDA 2030 Brighter vs Reference			

(1) Time horizon : short (2020-2022); medium (up to 2030); long (2030-2050).

Upside scenario current policies

Downside scenario current policies

Enel's performance in the fight against climate

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

Enel's carbon footprint

In 2020, Enel's carbon footprint was equal to 98.0 $MtCO_{2eq}$ (26% lower than 2019), mainly due to the reduced generation of electricity from fossil fuels, divided as follows:

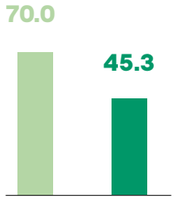
- **Scope 1**: 45.3 $MtCO_{2eq}$ (35.3% decrease compared to 2019) which represents 46% of total GHG emissions. 99% of these emissions is produced by thermal power. Furthermore, the percentage of emissions related to EU ETS is equal to 53% of the total Scope 1 (compared to 49.5% in 2019);
- **Scope 2**: 5.0 $MtCO_{2eq}$ (7% decrease compared to 2019) which represents 5% of total GHG emissions. Furthermore, 71% of the Scope 2 emissions are related to the technical grid losses in the distribution grid;
- **Scope 3**: 47.7 $MtCO_{2eq}$ (16% decrease compared to 2019) which represents 49% of total GHG emissions. The use of sold assets (electricity and gas retail market) represented 98% of the footprint of these emissions.

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, refer to the 2020 GHG inventory (accessible in the web site in the Sustainability section)

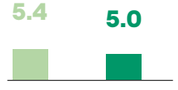
Our carbon footprint

VALUE CHAIN	Electricity generation		Electricity distribution		End customer		Other
GLOBAL BUSINESS LINE							Real Estate
GHG SCOPE 1 direct **emissions** ($MtCO_{2eq}$)	1 Thermal generation: 69.67 / 44.79	2 Other: 0.04 / 0.11	3 SF_6 losses: 0.16 / 0.13	4 Auxiliary motors: 0.01 / 0.02	Including in source "5"		5 Sites and offices: 0.02 / 0.07; 6 Company fleet: 0.09 / 0.14
GHG SCOPE 2 indirect **emissions** ($MtCO_{2eq}$) (location based)	7 Electricity purchase: 1.55 / 1.43		8 Technical losses from the grid: 3.82 / 3.56; 9 Electricity purchase: 0.15 / 0.15		Including in source "10"		10 Electricity purchase: 0.08 / 0.06
GHG SCOPE 3 indirect **emissions** ($MtCO_{2eq}$)	11 Coal (upstream): 4.00 / 1.16; 13 Transportation of other raw materials and waste (upstream): 0.01 / 0.01	12 Diesel & fuel oil (upstream): 0.01 / 0.01	-		14 Sale of electricity: 28.98 / 25.04; 15 Sale of natural gas: 23.92 / 21.48		-

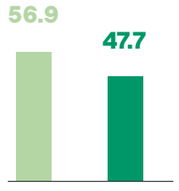
TOTAL DIRECT **EMISSIONS GHG SCOPE 1** ($MtCO_{2eq}$)



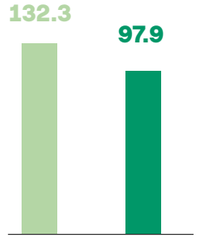
TOTAL INDIRECT **EMISSIONS GHG SCOPE 2** ($MtCO_{2eq}$) (location based)[1]



TOTAL INDIRECT **EMISSIONS GHG SCOPE 3** ($MtCO_{2eq}$)



TOTAL EMISSIONS **GHG** ($MtCO_{2eq}$)



(1) Market based: 2019 = 8.3; 2020 = 7.85.

Source		Description
1	Generation from thermal sources	Combustion of fossil fuels in generation activities (CCGT, oil & gas and coal thermal plants). Including: > CO_2 emissions (44.67 and 69.39 Mt in 2020 and 2019 respectively) > CH_4 emissions (GWP = 28), expressed in CO_{2eq} (0.02 and 0.04 $MtCO_{2eq}$ in 2020 and 2019 respectively) > N_2O emissions (GWP = 265), expressed in CO_{2eq} (0.09 and 0.24 $MtCO_{2eq}$ in 2020 and 2019 respectively)
2	Other	> Fossil fuel combustion in auxiliary motors of nuclear and renewable plants (0.08 and 0.01 $MtCO_{2eq}$ in 2020 and 2019 respectively) > NF_3 losses (GWP = 16,100), expressed in CO_{2eq} (0.01 and 0.01 $ktCO_{2eq}$ in 2020 and 2019 respectively) for solar panel generation > SF_6 losses (GWP = 23,500), expressed in CO_{2eq} (0.02 and 0.03 $MtCO_{2eq}$ in 2020 and 2019 respectively) for energy generation > Use of refrigerant gases in thermal and hydroelectric plants (0.01 $MtCO_{2eq}$ in 2020 and marginal in 2019)
3	SF_6 losses	SF_6 losses (GWP= 23,500), expressed in CO_{2eq} (0.13 and 0.16 $MtCO_{2eq}$ in 2020 and 2019 respectively) for energy distribution
4	Auxiliary motors	Combustion of fossil fuels in auxiliary motors as part of energy distribution activities (0.02 and 0.01 $MtCO_{2eq}$ in 2020 and 2019 respectively)
5	Offices	Diesel and methane combustion for heating and canteens in offices, and use of refrigerant gases, including all properties of all Business Lines (Generation, Infrastructure & Networks, Market and Enel X) and Group offices (0.07 and 0.02 $MtCO_{2eq}$ in 2020 and 2019 respectively)
6	Company fleet	Diesel and gasoline combustion in company fleet vehicles (0.14 and 0.09 $MtCO_{2eq}$ in 2020 and 2019 respectively)
7	Electricity purchased from the grid	Consumption of electricity purchased from the grid for energy generation in thermal power plants and for pumping in hydroelectric plants (1.47 and 1.32 $MtCO_{2eq}$ in 2020 and 2019 respectively). The figures shown are calculated using the location-based approach, while the market-based approach gives a figure of 2.26 and 1.99 $MtCO_{2eq}$ for 2020 and 2019 respectively
8	Technical losses from the grid	> Energy dissipation due to transmission network losses (not owned) for the share of energy sold to the end customer (0.39 and 0.46 $MtCO_{2eq}$ in 2020 and 2019 respectively). The figures shown are calculated using the location-based approach, while the market-based approach produces a figure of 0.58 and 0.71 for 2020 and 2019 respectively > Energy dissipation due to distribution network losses under Enel's operational control (3.17 and 3.36 $MtCO_{2eq}$ in 2020 and 2019 respectively). The figures shown are calculated using the location-based approach, while the market-based approach produces a figure of 4.99 and 5.29 for 2020 and 2019 respectively
9	Electricity purchased from the grid	Consumption of electricity purchased from the grid for distribution activities in substations (0.15 $MtCO_{2eq}$ in both 2020 and 2019). The figures shown are calculated using the location based approach, while the market based approach gives a figure of 0.24 $MtCO_{2eq}$ for both 2020 and 2019
10	Electricity purchased from the grid	Consumption of electricity purchased from the grid for civilian use (technological devices, lighting, heating) in the sites and commercial offices (Mercato and Enel X) (0.06 and 0.08 $MtCO_{2eq}$ in 2020 and 2019 respectively). The figures shown are calculated using the location-based approach, while the market-based approach produces a figure of 0.05 and 0.07 for 2020 and 2019 respectively
11	Coal (upstream)	Including: > GHG Protocol Scope 3, category 3 (fuel and energy activities not included in Scope 1 and 2): fugitive emissions from coal mining used in coal-fired power plants (1.06 and 3.30 $MtCO_{2eq}$ in 2020 and 2019 respectively) > GHG Protocol Scope 3, category 4 (transport and distribution upstream of power generation): transportation of coal by ship/air (0.05 and 0.45 $MtCO_{2eq}$ in 2020 and 2019 respectively) and by rail (0.21 $MtCO_{2eq}$ in 2019 only)
12	Diesel & fuel oil (upstream)	GHG Protocol Scope 3, category 4 (transport and distribution upstream of energy generation): transportation of diesel and fuel oil on wheels (0.011 and 0.01 $MtCO_{2eq}$ in 2020 and 2019 respectively)
13	Transportation of other raw materials and waste (upstream)	GHG Protocol Scope 3, category 4 (transport and distribution upstream of energy generation): transportation of other raw materials and waste on wheels linked to thermal and renewable generation (0.01 and 0.01 $MtCO_{2eq}$ in 2020 and 2019 respectively)
14	Sale of electricity	GHG Protocol Scope 3, category 11 (use of goods sold): emissions from the use of electricity sold to end customers (retail market) (25.04 and 28.98 $MtCO_{2eq}$ in 2020 and 2019 respectively)
15	Sale of gas	GHG Protocol Scope 3, category 11 (use of goods sold): emissions from the use of gas sold to end customers (retail market) (21.48 and 23.92 $MtCO_{2eq}$ in 2020 and 2019 respectively)

The roadmap and the targets for the reduction of greenhouse gas

In 2020, Enel's decarbonization roadmap has been updated to include the acceleration in the development of renewables and the reduction in thermal capacity defined in the new 2021-2023 Strategic Plan and in the 2030 ambitions presented on the Capital Markets Day 2020. New goals in line with the Paris Agreement have been defined, in particular the percentage of reduction in Scope 1 emissions at 2030 was increased from 70% to 80% compared to 2017. This target is in line with a 1,5 °C pathway, as certified by SBTi.

The Net-Zero commitment

Furthermore, Enel, as a signatory to the Business Ambition for 1.5 °C campaign promoted by the United Nations and other institutions, is committed to fixing a long-term objective for reaching net-zero emissions along the value chain by 2050, 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).

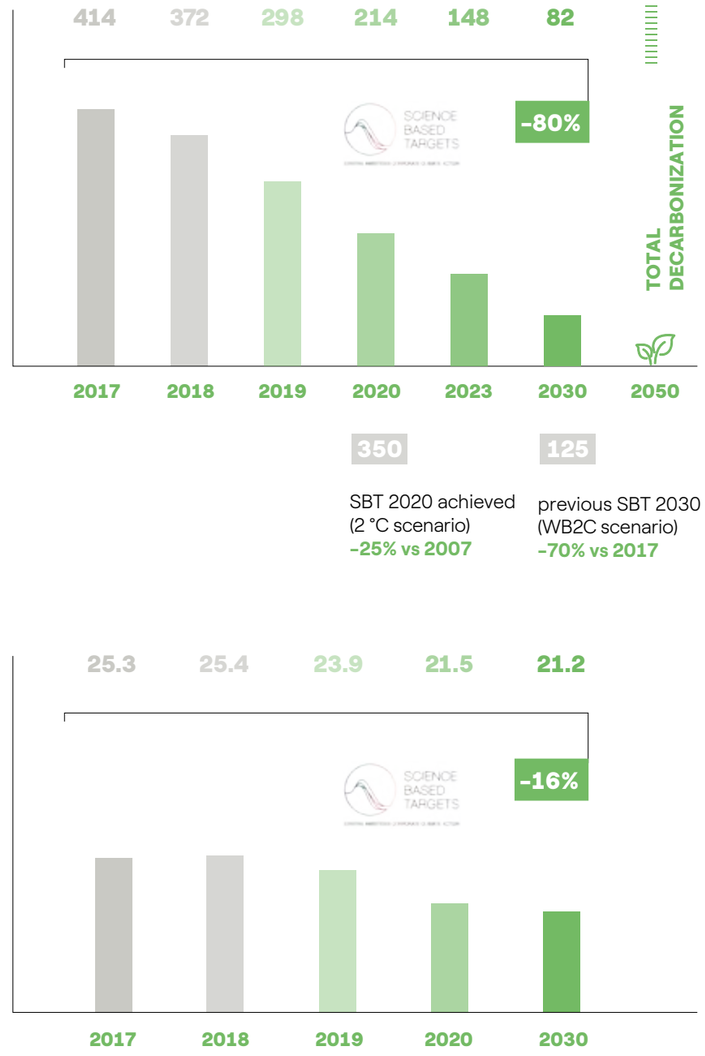
	GHG goal	Area	Climatic scenario	Main drivers and actions for reaching the goal
Short term (2023)	**148** gCO_{2eq}/kWh in 2023	**100%** of Scope 1 GHG emissions(1)	1.5 °C(2)	> Gradual phase-out of 90% of coal-fired capacity during 2021-2023 (percentage weight of coal-fired capacity on consolidated capacity from 10.6% in 2020 to approximately 1% in 2023). > Investments equal to 16.8 billion euros to accelerate the development of renewable energy by installing 15.4 GW of new renewable capacity during 2021-2023 to reach 60 GW of renewable capacity by 2023.
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, certified by SBTi	> Acceleration of the abandonment of coal from 2030 until 2027 (gradual elimination of 16 GW of coal-fired capacity during the period 2017-2027). > Investments equal to 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).
	21.2 mil tCO_{2eq} (16% reduction compared to baseline year 2017)	**100%** of Scope 3 emissions related to the sale of natural gas in the end-user market (Scope 3, category "use of sold products")	2 °C, certified by SBTi	> Promotion of the customer passage from gas to electricity (especially residential customers). > Optimization of the customer's gas portfolio (especially industrial customers).residential customers).
Long term (2050)	**~0** gCO_{2eq}/kWh by 2050	**100%** of Scope 1 GHG emissions(1)(3)	1.5 °C(2)	> Goal of gradually eliminating thermal capacity and of reaching a 100% renewable energy mix.

(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) With respect to the Group's net-zero commitment, which includes both direct and indirect emissions, precise targets will be defined for Scope 2 and Scope 3 emissions that are in line with the "Net Zero Standard" being developed by SBTi.

ROADMAP

Decarbonization roadmap in line with the 1.5 °C pathway, SBTi certified

SCOPE 1[1] (gCO_{2eq}/kWh)



SCOPE 3 GAS RETAIL[2] (tCO_{2eq})

(1) Includes all direct emissions (GHG Scope 1), 99% of which are due solely to energy generation, in line with the 1.5 °C pathway of the Science Based Targets initiative.
(2) Includes all indirect emissions (GHG Scope 3 - Use of Sold Products) relating to gas sales in the retail market by 2030, in line with the 2 °C pathway of the Science Based Targets initiative.

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	2020	2019	2020-2019	%
Ordinary EBITDA for low-carbon products, services and technologies [1] [2]	bil euros	15.6	16.2	-0.6	-3.8
	% of tot EBITDA	87	91	-4	-
Capex for low-carbon products, services and technologies [1]	bil euros	9.6	9.1	0.5	4.9
	% of tot Capex	94	92	2	-
Revenues from coal plants	bil euros	1.6	2.8	-1.2	-42.0
	% of tot Revenues	2.5	3.5	-1.0	-
Revenues from thermal generation	bil euros	7.5	10.3	-2.8	-27.1
	% of tot Revenues	11.6	12.8	-1.2	-
Revenues from nuclear plants	bil euros	1.4	1.3	0.1	4.9
	% of tot Revenues	2.1	1.6	0.5	-
Debt ratio with sustainability criteria [3]	%	33	22	11	-
CO_2 reference price	euros	24.7	24.8	-0.1	-0.3

(1) The "low-carbon products, services and technologies" category considers the Global Power Generation (excluding conventional generation), Infrastructure and Networks, Enel X and Market Business Lines (excluding the sale of gas).
(2) The 2019 value was redefined to account for the fact that in Latin America and North America (Mexico), the values concerning large customers managed by the generation companies were reallocated to the Market Business Line.
(3) The value was calculated considering the impact of the financial instruments, which include sustainability criteria for the entire gross debt.

In 2020, Enel's ordinary EBITDA associated with low-carbon emission technologies, services and solutions equals 15.6 billion euros, with a 3.9% reduction compared to 2019, mainly due to the impact of the Covid-19 emergency on the sale of energy to end users, which was partially compensated by greater generation of renewables. The Capex dedicated to low-carbon emission technologies, services and solutions has increased as compared to 2019, reaching 9.5 billion euros, equal to 94% of total Capex.
Revenues from coal plants, 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, are continuing to decrease. In particular, in 2020 revenues related to coal plants amounted to 1.6 billion euros (a 42.0% decrease as compared to 2019), equal to 2.5% of the Group's total revenues. Furthermore, total revenues from thermal generation (coal, oil & gas and CCGT) represent 11.6% of total revenues, equaling 7.5 billion euros (a 27.1% decrease as compared to 2019).
Enel's strategy of promoting a sustainable financial model has contributed to reaching 33% of the debt related to the sustainability objectives.
Enel's strategy of promoting a sustainable financial model has contributed to reaching 33% of the debt related to the sustainability objectives.

Operational metrics

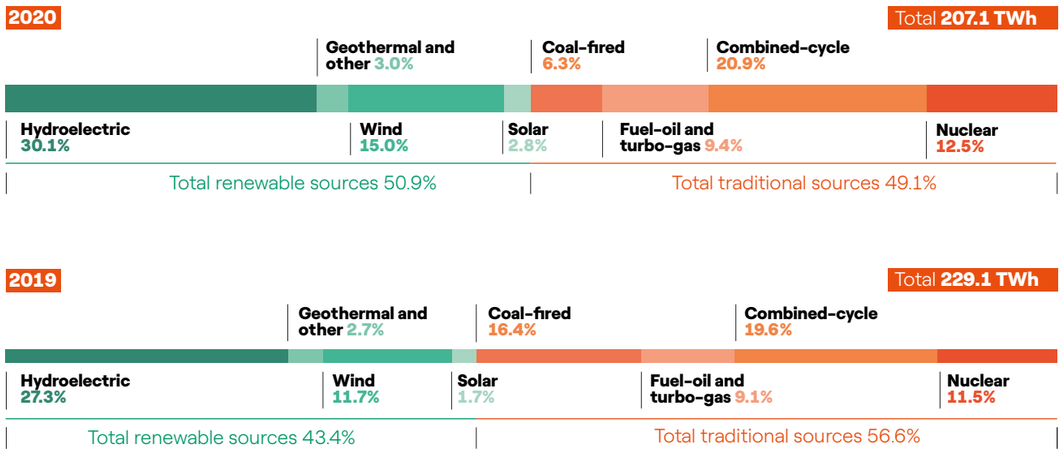
| 302-1 | EU1 | EU2 | EU3 | EU11 | EU30 |

Segmento della catena del valore dell'elettricità	Operational metric	UM	2020	2019	2020-2019	%
GENERATION	**Net installed maximum capacity [1]**	**GW**	**84.0**	**84.3**	**-0.3**	**-0.4**
	- of which renewables	%	53.6	50.0	3.6	-
	- of which thermoelectric	%	42.4	46.1	-3.7	-
	- of which nuclear	%	4.0	3.9	0.1	-
	Net generation [2]	**TWh**	**207.1**	**229.1**	**-22.0**	**-9.6**
	- of which renewables	%	50.9	43.4	7.5	-
	- of which thermoelectric	%	36.6	45.1	-8.5	-
	- of which nuclear	%	12.5	11.5	1.0	-
	Additional indicators					
	Average thermoelectric park efficiency (%) [3]	%	44.2	42.0	2.2	-
	Total direct fuel consumption	Mtep	23.9	30.1	-6.2	-20.6
DISTRIBUTION	**Digitalization**					
	End users with active smart meters [4]	no.	44,292,794	43,821,596	471,198	1.1
	Smart meters (coverage)	%	60	59	1	-
RETAIL	**Electrification, energy efficiency and digitalization**					
	Charging points for electric mobility [5]	.000	105	80	25	32.3
	Electric buses	.000	0.9	0.3	0.6	220
	Smart public lighting	mil	2.7	2.4	0.3	12
	New services					
	Demand response capacity	MW	6,038	6,297	-259	-4.1
	Storage capacity	MW	123	110	13	11.8

(1) Does not include managed capacity, equal to 3.6 GW in 2020 and 3.7 GW in 2019.
(2) Does not include generation from managed capacity, equal to 9.9 TWh in 2020 and 10.2 TWh in 2019.
(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) The 2019 data has been redefined following an update to the reporting method.
(5) Installed public and private charging stations. Including interoperability points, the value is equal to 186 thousand in 2020.

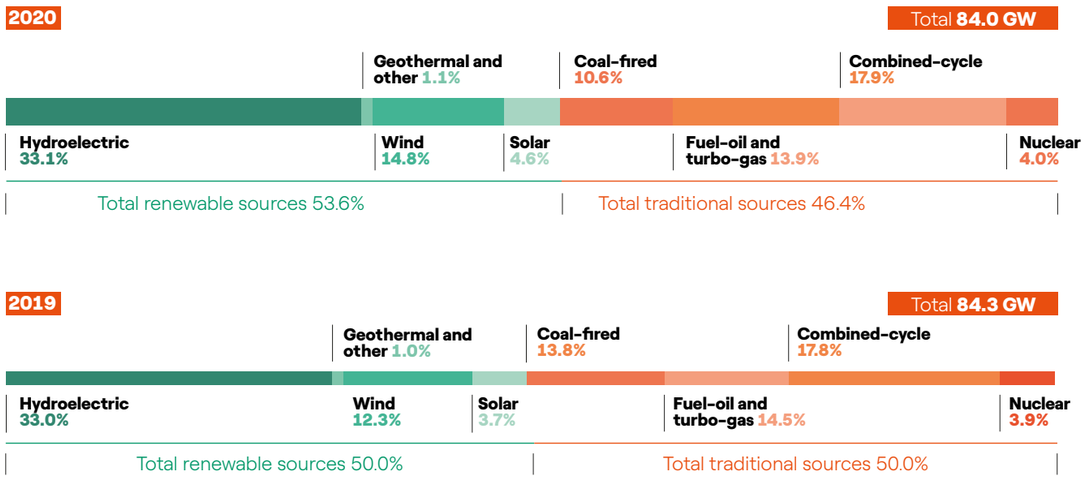
The **generation of electricity** in 2020 has a decrease of 22 TWh (-9.6%) compared to the value recorded in 2019. In particular, this decrease results from the reduced generation from thermal power (-27.5 TWh), mainly due to reduced coal-fired generation (-24.4 TWh), which was partially compensated by greater generation from renewable sources (+6.0 TWh).
The energy Enel produced in 2020 from zero emissions sources amounts to more than 63% of total consolidated generation (a significant increase in comparison to 2019, equal to 55%), whereas it is equal to 65% including the generation of capacity managed according to the Stewardship model (equal to 9.9 TWh in 2020).

NET ELECTRICITY GENERATION BY SOURCE (%)



In order to contribute toward the decarbonization of its energy mix, in 2020 Enel **increased its renewable installed capacity by 2.9 GW, while reducing its coal-fired capacity by 2.8 GW**. As a result, consolidated installed capacity from zero emissions sources is approximately 58% (54% considering only renewable sources) of Enel's total consolidated installed capacity in 2020, whereas it is greater than 59% (56% considering only renewable sources) when including capacity managed according to the Stewardship model (equal to 3.6 GW in 2020).

NET EFFICIENT INSTALLED CAPACITY BY SOURCE (%)



In 2020, Enel played a fundamental role in developing new solutions for accelerating the process of energy transition through the development of 13 MW of storage capacity, corresponding to a growth of 12% in comparison to 2019, and maintaining the approximate 6 GW of demand response basically unvaried compared to 2019.

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 2020. In particular, in 2020 the total number of end users with active smart meters grew 1.1% as compared to the previous year, reaching 44.3 million in 2020.

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 105 thousand installed charging points at the end of 2020, a 32.3% increase in comparison to 2019.

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	2020	2019	2020-2019	%
Specific water withdrawal for total generation [1]	l/kWh	0.20	0.33	-0.13	-39.4
Water withdrawal in water stressed areas [1][2]	%	23	25	2	-
Generation with water withdrawal in water stressed areas [2]	%	11	8	3	-

(1) Based on the classification provided by the WRI "Aqueduct 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 placed in water stressed areas those plants falling in areas classified by the WRI as "arid".

(2) Even if the indicator shows an increased percentage of withdrawals and consumption in water stressed areas, the absolute values show a decrease compared to the previous year, due to reduced generation of the relative plants.

Targets

The following table shows the main operational goals included in the 2021-2023 Strategic Plan and in the 2030 vision that reflect Enel's role in the fight against climate change along the entire electricity value chain, in addition to the goals of reducing greenhouse gas emissions as described in the previous section.

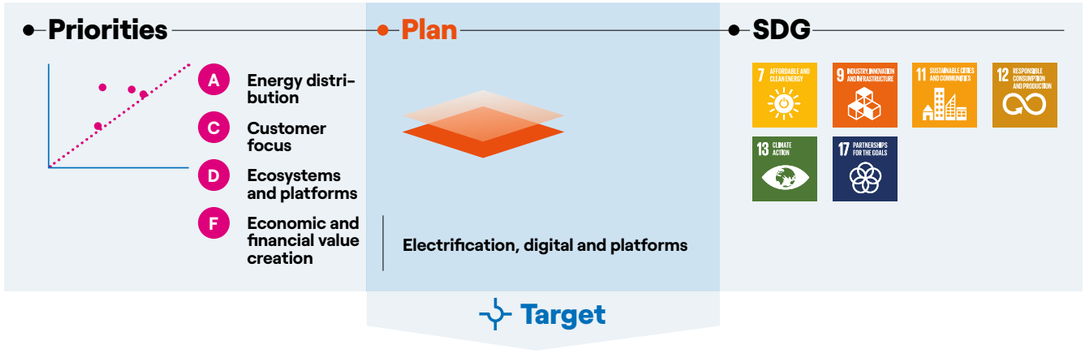
Segment of the electricity value chain	Target description	UM	2023	2030
GENERATION	**Net installed maximum capacity** [1]	**GW**	**>90**	**>170**
	- of which renewables	%	65	>80
	- of which thermoelectric	%	31	-
	- of which nuclear	%	4	-
	Net generation [2]	**TWh**	**245**	**~400**
	- of which renewables	%	65	~80
	- of which thermoelectric	%	24	-
	- of which nuclear	%	11	-
	New services			
	Generation with storage system (BESS)	TWh	-	20
	New hybrid renewable plants with storage (BESS)	%	-	30
	Generation of green hydrogen	.000 t	5	>90
	Installed green hydrogen capacity	GW	0.12	>2
	New hybrid renewable plants with hydrogen	%	-	8
DISTRIBUTION	**Digitalization**			
	Smart meter	mil	49	>90
	Smart meters (coverage)	%	64	100
MARKET	**Electrification, energy efficiency and digitalization**			
	Charging points for electric mobility	mil	0.78	>4
	Electric buses	.000	5.5	>10
	Smart public lighting	mil	3.4	>4
	New services			
	Demand response capacity	GW	10.6	20
	Storage capacity	MW	527	-

(1) Does not include managed capacity, equal to 7.6 GW in 2023.
(2) Does not include generation from managed capacity, equal to 20 TWh in 2023.

Furthermore, the following assumptions were defined:

- EBITDA incidence for low-carbon products, services and technologies equal to 91% in 2023;
- Capex incidence for low-carbon products, services and technologies on the total equal to approximately 90% in 2021 -2023;
- incidence of sustainable financial mechanisms equal to approximately 48% in 2023 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 more information about Enel's environmental performance, refer to the "Environmental sustainability" chapter of the Sustainability Report 2020 (available on the site's Sustainability section: https://www.enel.com/investors/biodiversity).



Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Innovation and digitisation of the distribution networks	**~47 million** end users with active smart meter	**44.3 million** end users with active smart meter	**ON-PLAN**	**49 million** end users with active smart meter by 2023[1]	I E G T	9 11
SAIDI (min)	⊕	**259**		**228**[2] in 2023	I E S	7 9
SAIFI (no.)	⊕	⊕		**2.5**[3] in 2023	I E S	7 9
Cabling ratio (km of cable lines/km of lines in total)	**64%**	**60.4%**	**OFF-PLAN**	**63%**[4] by 2023 ↻	I E S	7 9
Network losses (Italy)[5]	**4.7%**	**4.7%**[6]	**ON-PLAN**	**4.7%** in 2023	I E	7 9
New producer connections (Italy and Spain)	**280 thousand** new connections over the period 2020-2022	**58,598** new connections	**OFF-PLAN**	**283 thousand** new connections in the period 2021-2023 ↻	I E	7 9 13
New producer connections - power (Italy and Spain)	**4.3 GW** over the period 2020-2022	**2.9 GW**	**ON-PLAN**	**9.0 GW** over the period 2021-2023 ↻	I E	7 9 13
Rural electrification - grid extension and microgrid solutions[7]	⊕	⊕		**231 thousand** connections over the period 2021-2023	I E S	7 13
Charging points[8]	**736 thousand** charging points	**186 thousand** charging points	**ON-PLAN**	**~780 thousand**[9] charging points	I E G T	9 11
Storage and real-time demand response	**439 MW** of storage **10.1 GW** of demand response	**123 MW** of storage **6.0 GW** of demand response	**ON-PLAN**	**527 MW** of storage **10.6 GW** of demand response[10]	I E S T	9 13
Inclusive offers dedicated to customers - Italy	"Over 65" offer: remodelling of the offer dedicated to customers over 65 on all Enel channels	**2,800** customers "Over 65" involved	**ON-PLAN**	**12 thousand** customers "Over 65" involved by 2023 ↻	I S	9 11
Activities, products and services dedicated to customers with disabilities	⊕	⊕		• Analysis of the customer experience for customers with disabilities and final qualitative assessment • Promoting accessible products and services • Promoting "slow shopping" and inclusive offers	I S	9 11

I Industrial E Environmental S Social G Governance T Technological

Goals ⊕ New ↻ Redefined ↺ Outdated

(1) The target for 2030 is ~90 mil end users with active smart meter.
(2) The target for 2030 is ~100 min.
(3) The target for 2030 is ~2.
(4) Target redefined as it is strictly dependent on the network construction and maintenance activities, which have been significantly cut back due to the pandemic.
(5) Includes the technical losses (Joule effect) and non-technical losses (energy theft) of e-distribuzione (Italy).
(6) Estimated figure. The final figure will be available at the end of September 2021.
(7) The scope includes Argentina, Brazil, Chile, Colombia, Peru and Romania.
(8) Public and private charging points installed. Includes interoperability points, net of which there are 105 thousand charging points installed at the end of 2020.
(9) The target for 2030 is >4 million charging points.
(10) The target for 2030 is ~20 GW.

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Voice of customer for ongoing improvement						
Italy Market- Customer Satisfaction Index Enel Energia SpA (% - value from 1 to 100)	**~91%**	**91.9%**	**ON-PLAN**	**92.3%**	I S T	9 11
Italy Market- Perceived quality[11] (value from 1 to 5)	Value between **4** and **5**	**4.2**	**ON-PLAN**	**4.3**		
Iberia Market - Customer Satisfaction Index (index - value from 0 to 10)	⊕	**7.4**		**7.5**		
Romania Market - Customer Satisfaction Index (index - value from 1 to 10)	⊕	**8.2**		**8.0**		
Chile Market - Customer Satisfaction Index (% - value from 1 to 100)	⊕	⊕		**73%**		
Paperless: online sales, archiving and digitalization of documents, digital bills, interactive bills						
Italy Market	• Digitalization of some credit documents (reminders and warnings) • Increasing use of tablets by the sales force to sign contracts	**6.2 million** digital communications sent to customers	**ON-PLAN**	• **5.9 million** digital communications sent to customers • **65%** of sales made via tablets, compared to total sales made through channels that use tablets	I E T	9 11 12
Romania Market	⊕	⊕		**2.1 million** digital communications sent to customers		

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Everywhere commerce – Electronic billing (% of customers using digital billing)						
Italy Market	⊕	⊕		**~60%**	I E T	9 11 12
Iberia Market	⊕	⊕		**36%**		
Romania Market	⊕	⊕		**38%**		
Chile Market	⊕	⊕		**32%**		
Colombia Market	⊕	⊕		**35%**		
Peru Market	⊕	⊕		**13%**		
Argentina Market	⊕	⊕		**23%**		
Brazil Market	⊕	⊕		**17%**		
Everywhere commerce - Electronic payment (% of digital payments/total payments)						
Italy Market	⊕	⊕		**~50%**	I E T	9 11 12
Digitalisation of the customer relationship Customers who use digital services[12] (mil users/year)						
Italy Market	**6.9**	**4.9**	**ON-PLAN**	**8.0**	I S T	9 11
Iberia Market	⊕	⊕		**6.0**		
Romania Market	⊕	⊕		**1.7**		
Digitalisation of the customer relationship Customers who use digital services via app[13] (mil users/year)						
Chile Market	⊕	⊕		**0.66**	I S T	9 11
Colombia Market	⊕	⊕		**1.65**		
Peru Market	⊕	⊕		**0.33**		
Argentina Market	⊕	⊕		**0.55**		
Brazil Market	⊕	⊕		**8.80**		

I Industrial E Environmental S Social G Governance T Technological

Goals ⊕ New ↻ Redefined ↻ Outdated

(11) This indicator measures the quality perceived by the customer on a monthly basis compared to the last contact with Enel Energia.
(12) This indicator measures the number of users who use the digital services offered (web/app) at least once during the year.
(13) This indicator measures the number of users who use digital services via apps at least once during the year.

484.6
TWh

ELECTRICITY TRANSPORTED

on the Group's distribution network, down 4.5% compared to 2019

298.2
TWh

ELECTRICITY SOLD,

down 7.4% compared to 2019

69.5
million

RETAIL CUSTOMERS

electricity and gas

2,231,961
km

DISTRIBUTION NETWORK

ELECTRIFICATION, DIGITAL AND PLATFORMS

102-7 | EU3 | EU4

The emergency situation that characterized 2020 has highlighted the essential need to continue guaranteeing the production, distribution and sale of energy as unforsakeable services.
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. We are committed to remain customer centric, providing them with quality products and services throughout the world.
In 2020, 484.6 TWh were transported on the Group's distribution grid (507.7 TWh in 2019) and the final number of energy and gas customers was almost 70 million, much the same as in 2019 (70 million). Energy sales amounted to 298.2 TWh in 2020, down by 7.4% compared to 2019. Enel also manages a demand response capacity of around 6 GW.

ELECTRICITY DISTRIBUTION NETWORK BY GEOGRAPHICAL AREA
(Total km 2,231,961)

	High voltage	Medium voltage	Low voltage
Romania	5%	27%	68%
Iberia	6%	36%	58%
Italy	(1)	31%	69%
Latin America	3%	62%	35%
Total (%)	**2%**	**40%**	**58%**
Total (km)	**46,661**	**894,282**	**1,291,018**

(1) In Italy there is also 22 km of high-voltage network.

RETAIL CUSTOMERS

	Electricity market customers	Gas market customers
Romania	3,049,476	59,379
Iberia	10,420,495	1,673,424
Italy	22,612,004	4,060,646
Latin America	27,642,485	23
Total	**63,724,460**	**5,793,472**

Our aim is to accelerate the transition of our customers towards sustainable conduct by supplying innovative energy solutions through global digital platforms.

Why is it important for our stakeholders?

Reduce environmental impact, generate cost savings, ensure a high quality experience: this is what the new generation of customers expects from players like us who are committed to sustainability and who aim to become the best reference point on the market.

Francesco Venturini

Enel X

Why is it important for Enel?

Electrification and digitalization guide our new relations with our customers. We have created an ecosystem of products and services that make sustainability accessible to everyone.

Operational excellence and distribution quality

103-2 | 103-3 | DMA EU (former EU7) | DMA EU (former EU23) |

The future of the world depends on successful acceleration of the energy transition; today, the distribution network plays an important role in facilitating this evolution, supporting the decarbonization and electrification processes. In the coming years, it will be essential to increase the use of electricity in all those sectors that still rely heavily on fossil fuels, while ensuring at the same time that the grid is capable of carrying an ever higher percentage of renewable: currently the most sustainable and economic form of energy generation.
As a **modern DSO** (Distribution System Operator), we tackle the dual challenge of remaining virtuous in modern economies and helping the emerging economies to access energy.
The grid must become ever more 'intelligent', modern and digital. At the same time, as physical infrastructure in the territory, the grid is ever more exposed to such climate change related phenomena as flooding, drought, scorching heat and extreme cold. This can be addressed by increasing the security, resilience and reliability of grids, in order to continue guaranteeing high service quality standards to the end customer.
Today, our Grid is 'networked', which means that electricity can be distributed from a point of generation to a point of delivery via various possible routes. This structure implements the concept of resilience, being the ability of the Grid to suddenly find an alternate supply route if there is a fault on the usual route.
Given the vast size and complexity of our Grid, which comprises 2.2 million km of lines throughout the world, the monitoring and management of these reconfigurations in the shortest possible time require a high degree of **digitalization**. Due to the remote collection in real time of large quantities of data about the state of the grid, today's technology enables us to respond suddenly to alterations affecting our lines. This data is collected and processed in control centers, which have real-time information about the state of the entire Grid so that it can be monitored and remote action can be taken. Thanks to this data and digital intelligence, it is also possible to enhance Grid automation and reduce response times considerably.
For this system to work, we need data collection devices like the **digital meter** that, in addition to measuring consumption, enable us to take remote action. This meter in fact talks to other nodes, the concentrators, that for now

organize the measurement data before transferring it to our systems, but which will soon become key data processing centers. This data is aggregated via the secondary and primary substations, before arriving at the central infrastructure. Digitalization of the entire chain from us to the customer means that all this activity can be carried out quickly and in a secure manner.
Smart meters are therefore the cornerstone of distribution grid innovation and digitalization work, the driving force behind urban redevelopment and fundamental enablers of advanced home automation. From the beginning, their installation has been accompanied by specific information and awareness campaigns, given that energy savings of 10% can be achieved by using this technology, particularly thanks to the real time availability of energy use information.
At the end of 2020, 44.3 million end users had an active smart meter and 18.2 million end users had second generation meters (CE2G).
In addition to transmitting detailed measurement data (daily 15-minute load curves) to the concentrator, the latter provide a customer-dedicated communication channel for access to such services as demand response, energy efficiency (for example, a warning that available power is being exceeded and the limiter is being activated), the promotion of awareness and home automation, and the customization of tariffs, allowing the introduction of innovative forms of contract. A more advanced communication standard will be introduced during 2021, making new Active-Demand applications available. We have also launched the "**Circular Smart Meter**" project, which aims to reduce the environmental footprint of smart meters through, for example, the end-of-life use of their materials, starting with plastic and copper. For further details, see the "Circular economy" chapter of this document.
In this context, the distributor plays a new role as system orchestrator, since the grid is not just a highway for electrons, but also the traffic warden who directs the flow and the 'service station' that offers new opportunities.

Grid Blue Sky and Grid Futurability

A Grid is usually established to meet local needs and so there are many variants. Grid Blue Sky seeks to go beyond this reality by imagining the unified management of all our grids. In past years, the vision focused too much on the autonomy of specific grids, considering them as stand-alone entities with little mutual interaction. Grids that were added over time, without achieving a unified vision and level of service.
In order to tackle these challenges, a "platform" model is being adopted with two objectives: on the one hand, create an ecosystem that makes available business processes and solutions via Grid Blue Sky, in order to improve the economic and service performance provided to customers; on the other, build a new model for the grid of the future, **Grid Futurability**, designed to improve the context in which we live, in both the short and long terms. Innovation becomes systemic with Grid Futurability, digitalization and automation make the grid ever more resilient and flexible while, at the same time, the platform model helps to make cites more sustainable and to provide new services based on the differing urban and rural contexts, thus maximizing value for both customers and the grid. The purpose of platformization is therefore to make possible and guarantee the full integration of sustainability within the value chain.
Lastly, during 2020 an analysis was carried out in the context of the **Grid Blue Sky project**, in order to identify the most significant topics in relation to the UN sustainable development goals. The principal actions focus in two main directions: the reduction of greenhouse gas emissions (partly via a major effort to digitalize processes) and the profiling of new data fields, being platform parameters used to support the decision-making process when developing new technical solutions and to enhance stakeholders engagement.

The Grid is also a 'mine of materials' that, suitably regenerated, can be used as inputs for the production of new assets or new products in other productive value chains. Adopting a "**grid mining**" approach, the entire value chain of grid assets is being analyzed with a view to improving long-term value creation and incorporating the "Circular by design" principle right from the asset design stage. The idea is to rethink productive processes, limiting the use of virgin materials, increasing the resilience of the supply chain and reducing environmental impacts such as, firstly, the emission of climate-altering gases. A number of grid mining solutions are being tested or sought, considering the high volume of end-of-life assets retired in the various countries. They need to have a scalable business model or be particularly attractive in terms of the volumes acquired in the marketplace and installed on the grid.
Accordingly, work continued during 2020 on integrating the creation of stakeholder value (CSV) model and the circular economy within our business processes and, in particular, within the supply chain, in order to improve the sustainable footprint of the grid via the proactive and inclusive engagement of stakeholders and the adoption of solutions that maximize value creation.
The **Urban Futurability project** is one of the most representative examples. Here, due to design work that included the stakeholders, the platform model for the grid has made it possible to devise new services for citizens and where, for the first time, an urban sustainable work site model has been applied to the cable-laying process, adopting solutions that reduce the environmental impact and the inconvenience felt by citizens.
The continuous improvement of infrastructure becomes central to the socio-economic development of communities, as well as for the daily life of people. This is fully consistent with the commitments made in relation to the UN's Sustainable Development Goals and in particular SDG 9 "Infrastructure and innovation".

Enel for Goiás - connection of isolated communities Delivery energy to rural Cavalcante (Brazil)

We are transforming the lives of many families that have been waiting decades for electricity. We are delivering energy to more than 130 families in rural Cavalcante, in the State of Goiás. We have installed over 600 poles and built 33 km of new grids. This is the fourth rural connection project completed by Enel, in collaboration with the government of Goiás, in less than six months.
Around one hundred isolated communities have been connected using offgrid solutions, under a plan that will continue throughout 2021. In particular, to facilitate installation of the technical solution identified and ensure that it meets the needs of the communities served, a preliminary field analysis involved about 1,100 potential users so that their territorial conditions and requirements could be understood better. This work made it possible to improve the energy access solutions employed (offgrid, grid extension) and, at the same time, contribute to the development of the communities via new training projects, new skills and enhance tourism and social cohesion.

Rethinking one's business by applying an ecosystem and circular logic also means identifying new opportunities to put customers at the center, offering customized products and services, to build and strengthen a relationship based on trust, transparency and rational use of energy. In fact, the customer is ever more interested in the strategic business steps taken towards a sustainable economy. Consumers wish to contribute, via their decisions, to the protection of the planet, but they only choose the sustainable options if they are more economic and practical, with superior performance.

Quality of service and promotion of responsible and aware usage

Our primary objective is to guarantee a **high level quality service** and maximize customer satisfaction, anticipating market needs in order to ensure reliable responses and establish lasting relations with customers, 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. 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 2020, we promoted the adoption of new solutions and innovative technologies aimed at improving the customer experience and also involving startups and stakeholders, as well as sharing best practices in order to spread them to the various countries of operation with specific market-related customizations, thus minimizing time-to-market. Relations with consumer associations have been intensified, exploring collaboration opportunities aimed at improving the relationship with customers and working together to create services that increasingly respond to new needs and requirements, without neglecting the weaker sections of the population.
In 2020, due to the pandemic, our communication channels had to adapt to the new way of working from home, ensuring the efficiency and effectiveness of our customer relationships. Thanks to a globally coordinated effort, based on promoting digital channels, various measures were successfully taken to meet the growing needs of customers, in line with restrictions on mobility and social distancing.
Putting the customer at the center means developing new relationship models that promote listening and involvement to ensure the continuous improvement of 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. A push to simplify all stages of the customer journey by disseminating innovative services that support the customer, from the signing of new exclusively paperless contracts and simple interactions to check energy use and receive digital bills, to electronic payments, including instalment plans, through virtual assistants, apps and chatbots. Enel's commitment to the right energy transition for everyone puts it at the forefront in offering innovative and inclusive services for elderly, weak, destitute or marginalized customers, vulnerable families or disabled persons (Pedius, Braille bill, compatible sites for the visually impaired). 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.

Customer satisfaction

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

The attention paid to service quality issues is confirmed again this year by the results of customer satisfaction surveys carried out in all the countries where Enel operates as an electricity vendor or distributor.
In **Italy**, despite the pandemic, the customer satisfaction index (CSI)1 for 2020 was 93.8 for the regulated market (92.4 in 2019) and 91.9 for the free market (90.2 in 2019), with improvements in both markets.
In addition, 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 customer service is the main value pursued in the relationship with customers, striving for maximum efficiency in the operation of its customer service channels, tools and platforms through a process of constant innovation and improvement. 20 key indicators are monitored every month, to ensure constant improvement of the customer relationship compared to the previous year. The CSI has been rising over the years, reaching 7.3[2] for the free market (7.3 in 2019) and climbing to 7.7 (7.2 in 2019) for the regulated market 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 8.2[2] for the free market and 8.4[3] for the regulated market.
In **Latin America**, customer satisfaction indicators are a fundamental consideration when defining strategies and designing 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) 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?".
Surveys are also carried out in Peru, using structured and standardized questionnaires, among people who have used the contact point services. 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**, a new methodology was applied in 2020 in order to obtain more direct customer feedback. This replaced the previous electricity service quality indicator (ICSE) and makes reference to the "final satisfaction", as represented by the direct response given to the question "How satisfied are you with the service provided by Enel?", with a choice of predetermined answers. The survey was carried out in the form of online panels with a statistically-valid sample providing results with about 99% confidence.

(1) Value is calculated on a scale of 1 to 100. The values for 2020 have been estimated on the basis of established trends. Following a change of methodology, from 2018, the CSI value is determined annually rather than half-yearly as it was in 2017 and 2016.

(2) The calculation method has changed: from a scale to 100, to a scale to 10.

Management of complaints

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

In all the countries where Enel operates, customers have various channels available through which to make a complaint or request information (post, website, toll-free number). Enel 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. 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. This year, in **Italy**, there was a reduction in the time required to manage complaints, which fell below the threshold times required by ARERA (Regulatory Authority for Energy, Networks and the Environment) and simultaneously increased the satisfaction of complaining customers.

In **Iberia**, complaints are managed both centrally by the "Atención de Reclamaciones" (attention to complaints) unit and locally through six local units, in order to prevent any disruptions and determine the appropriate tools needed to resolve them, thus improving the efficiency of the process. The use of the new complaint management model introduced in 2019 was consolidated in 2020, with a digitalized view of the complaints and an end-to-end approach to the process that has made it even more efficient, with shorter processing times and a more positive customer perception.

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**, a digital transformation of the process has started and an automated procedure (RPA - Robot Process Automation) 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 analyzes the causes of complaints using analytical tools (e.g. geographical analysis of complaints), surveys and forums with customers themselves, to develop improvement actions.

In **Chile**, major action was taken to improve the customer experience via contact channels and on-site visits, thus enhancing customer satisfaction and reducing the number of complaints. In order to implement this "Service quality plan", it was necessary to adopt new guidelines for assessing the contact channel, deliver training courses to employees, develop new Customer Relationship Management (CRM) functions, and develop reports to monitor delayed orders and the key satisfaction indicators. This plan has resulted in a 16% reduction in the number of complaints.

Care of vulnerable customers

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 are handled by the local municipality and – if approved – customers are awarded a credit on their bill that varies according to their income and number of people in the family. In 2020, the social bonus was awarded to approximately 596,000 customers of Enel Energia and approximately 421,000 customers of Servizio Elettrico Nazionale. In general, protection is also provided in case of disconnection of the electricity supply: in the event of non-payment, customers who have an electronic meter are not cut off completely but their available power is reduced and only cut off completely if the default persists.

In **Iberia**, as in the rest of the world, the impact of Covid-19 during 2020 resulted in a healthcare and economic crisis, with complex situations that caused unemployment and temporary dismissals leading to significant income reductions. For this reason, a decree was approved on September 30, 2020, that includes those affected by these complex situations among the beneficiaries of the social bonus until June 30, 2021. In the same way, the social bonus regulation that came into force in 2018 has been retained, with discounts of 25%, 40% or even 100% depending on the level of vulnerability of the customer. At the end of 2020, Endesa granted the social bonus to 369,534 customers, of whom 192,254 vulnerable and 177,280 extremely vulnerable. 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. Currently there are 273 agreements in force, including 7 with autonomous regions and 7 with federations of municipalities; a further 3 are under negotiation and the company maintains contacts with 537 municipalities. Consequent to these agreements, in 2020 Endesa responded to 123,364 requests, totaling 30,350,630 euros, from vulnerable customers having difficulty in paying their bills. In addition, since 2018 Endesa has offered customers in vulnerable groups the opportunity to pay their bills in interest-free installments and has specific support channels. Finally, working with the Endesa Foundation and in collaboration with the Red Cross and Ecodes, Endesa has been promoting an energy volunteering project since 2015 to support specific vulnerable situations by providing training on efficient consumption, personalized advice and taking money-saving and safety measures in homes.

In **Romania**, tailor-made solutions are constantly being sought to meet the needs of the most vulnerable customer groups. Enel has a presence in the Ferentari district of Bucharest, one of the most disadvantaged. By appointing a trusted person from that community, called an "energy mediator", Enel has 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 similar pilot project will be launched in 2021, in another disadvantaged area in the Faur/Republica district of Bucharest.

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.

Again in 2020, Enel promoted several initiatives that focused on energy efficiency aimed especially at low-income customers: the replacement of fridges and lights, seminars on responsible energy use and household budgeting, inclusion in the social electricity tariff lists.

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 healthcare precaution, meters were not read in several months during the year and web/social media 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 installments) and specific projects were developed in order to enhance the customer experience via the use of digital channels.

Again in Chile, priority support was introduced during 2020 for electricity-dependent (ED) customers, being those who need to be connected to a medical device that runs on electricity. In addition to the installation of generators, 57 new lithium batteries had been installed by year end in hospital departments where the installation of traditional electrical equipment was not possible.

Lastly, in the context of the Value for Disability project (see the "Sound governance" 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, being 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) |

In 2020, customers changed their lifestyles and buying habits as a consequence of the Covid-19 pandemic. The resulting social distancing accelerated the use of e-commerce and attracted new customer segments to digital channels. This unstoppable acceleration towards the digital transition is accompanied by increasing demands for a more customized experience. In this context, the Enel One and Unica commercial offers have been launched in Italy and Spain respectively, in order to make things easier and more transparent for customers, with greater flexibility. The Enel 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 with digital payments and installment plans, listening to customers as part of the continuous improvement process, the circular economy and bill discounts, inclusive offers for senior, 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.

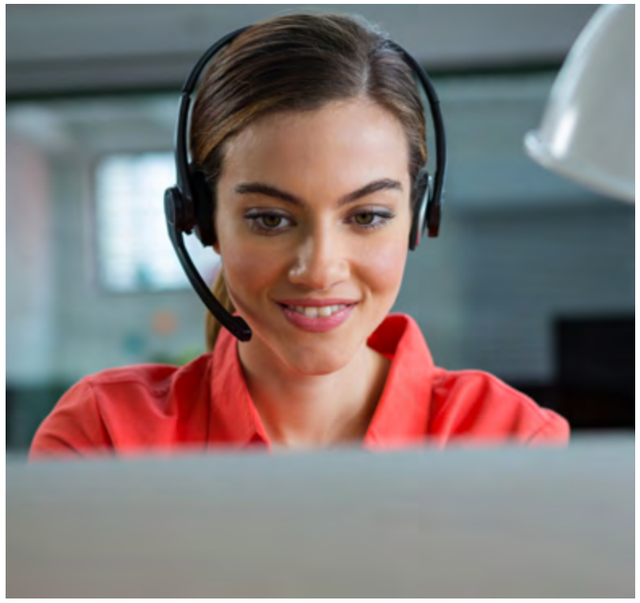
In the various Enel Group companies, in accordance with the Code of Ethics, all contracts, communications addressed to customers and advertising messages must be:

- 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 keep customers constantly informed about 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, Enel undertakes 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 startup 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 offer a dedicated service to German-speaking customers in the province of Bolzano. As part of the "Enel Social Services" program, 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. The pandemic in 2020 accelerated the digitalization process, thus boosting online services. By the end of 2020, the www.endesa.com website has accumulated 2.7 million registered customers (17% more than in 2019). 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. In addition, Endesa is committed to overcoming any physical, social and language barriers, particularly through digitalization. Customer contact points are all located on the ground floor to provide access for people with disabilities. Finally, Endesa has a special unit to manage relations 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 Spain, the telephone channel became a point of reference in the sector during 2020, obtaining the Excellence in Customer Relationship award (from AEERC - Spanish association of customer relationship centers) for the best digital transformation project: the integration of Watson (IBM AI) as a further customer interface with the contact center. The use of AI was fundamental to the provision of good service in those months during which, due to the pandemic and the lockdown, it was not possible to serve customers via other channels.

In **Romania**, the www.enel.ro website provides a series of on-line 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. Phase 1 of the FORCE project (Focus on reinvention of the customer experience) was completed in 2020. This involved remodeling entire processes and the messages sent to customers, using a multi-channel approach in order to accelerate the response to any problems reported.

In **Chile**, new digital platforms have been developed to provide the same information and the same level of customer service, regardless of whether customers choose to be assisted in person, remotely or digitally. In 2020, Enel used social media networks, such as Facebook and Twitter, to keep customers informed about power cuts and emergencies, publishing pictures of the location, a map of the sector and the estimated downtime; this generated greater customer satisfaction, due to the transparency, immediacy and precision of the information provided. A new contact channel via WhatsApp, activated in October, has already received 16,000 visits. This readily-available channel seeks to answer questions relating to bill payments, the input of readings and the reporting of emergencies. In addition, a number of totems were installed in Macul, Peñalolén and Colina during 2020, so that customers can pay their bills immediately, by credit or debit card, without having to present any documentation, stand in line or handle cash.

In **Brazil**, there is a wide range of customer communication channels, with 80% of contacts made through digital channels. Using the website at 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 with Enel through the main social media (Facebook, Twitter or Instagram), using specific applications for each, and an assistant can also be contacted 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.

In **Latin America**, a new version of the Enel Clientes application has been created, with improved design and interface, in order to improve the user experience: various Enel services are available, such as reporting emergencies, paying tickets, viewing account details, branch information, meter readings and personalized messages about the supply of electricity, and making direct contact with the company. There have been more than 148,000 downloads since the new version was launched. In March, Enelbot was activated on the www.enel.cl website in order to give customers a new, readily-accessible contact channel. This service provides automated responses to balance requests, payments and the reading of income.

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, therefore it must 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 "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 Enel operates, a wide range of high energy performance products have 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 energy. Via its subsidiary Endesa X, the largest private self-consumption solar project in the Spanish hotels sector was launched during 2020, for Protur Hotels on the island of Majorca, with a total power rating of 2.8 MWp and an annual output of 5,000 kWh. In environmental terms, this will reduce annual emissions by 1,648 tons, which is the equivalent of planting more than 100,000 trees. Endesa X also promotes an energy management system that makes it easy to find out how to obtain significant energy savings. With appropriate monitoring and proactive management, consumption may be reduced by 10-20% while, with the replacement of obsolete equipment, energy consumption can be reduced by 15-25% in the case of water heaters and/or fridges that are more than 15 years old.

Lastly, in the context of developing electric mobility solutions and promoting their adoption, Endesa installed about 7,000 public and private charging points during 2020 and expects to increase this number in the coming years.

In **Italy**, in addition to the launch of Enel X Sun Plug & Play, described in the "From energy to new services" section of this chapter, an agreement was signed between Consorzio delle Banche di Credito Cooperativo (BCC) and Enel X for the supply of materials and services for the installation, management and maintenance of the electric vehicle charging points (for cars, trucks, e-bikes etc.) at BCC main offices and branches.

The "Energy saving by a heritage asset" project was also launched in Italy. Since December 2020, the traditional lighting technology at the Chiesa del Gesù church in Genoa has been replaced with advanced LEDs. This important change is the first step towards achieving more responsible usage and greater attention to increasingly sustainable behavior thanks to the new open meter services.

In **Brazil**, numerous energy efficiency projects have been launched to improve people's awareness of usage, promoting the replacement of obsolete electrical equipment (fridges, freezers, lighting), with a significant impact on energy consumption and on improving energy efficiency in homes, as well as public and private facilities. During 2020, more than 190,000 customers benefited from educational projects on the responsible use of energy, and mobile units equipped with a model explaining how energy is generated, transmitted and distributed visited various areas of the country. In addition to explaining the process and simulating various types of energy usage, these traveling exhibitions also made interesting multimedia activities available to visitors of all ages. Furthermore, in order to tackle and minimize the damage caused by Covid-19 in Brazil, the #JuntosNaMesmaEnergia package of initiatives was launched, with video lessons and seminars through the Enel Shares platform, including guidelines for responsible energy consumption and safety advice relating to the electricity grid during the lockdown.

In **Chile**, two major projects related to "Carbon footprint" and "Energy management platform" were organized and implemented, at least in part. In collaboration with For The Planet, a local company, during 2021 Enel will adopt a new tool for quantifying and checking the carbon footprint of customers who, via the platform, will be able to monitor their greenhouse gas emissions (GHG) into the atmosphere and change their habits, in order to behave in a more sustainable manner. At a small additional cost, this program also includes carbon footprint training and suggestions 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.

From energy to new services

DMA EU (former EU7)

Enel X, a Global Business Line of the Enel Group, is a leader in the sector of innovative and sustainable solutions that support the energy transition. Via a strategy built on four pillars – **digitalization**, **platformization**, **integration with the commodity** and **ecosystem** – Enel X offers integrated solutions for the electrification of use cases, for the more efficient consumption of energy and for adding extra value via the offer of new products and services: from public and private electric mobility, including public transport, to products for the electrification of the home, making it more energy efficient thanks to their digital content, and to the use of artificial intelligence for, but not limited to, the ever greater optimization and customization of the solutions offered to customers. Modular solutions that embrace the world of digital financial services and whose central strategy is the satisfaction of customer needs.

Each solution is able to translate the decarbonization, electrification and digitalization objectives into sustainable and advantageous actions that can support cities, businesses and individuals in an ever changing world. Enel X is organized into six Global Business Lines, representing a model that allows urban ecosystems to be connected with industrial districts and production chains, mobility needs and individuals. The scope of action of the six Business Lines is described below, together with the principal results achieved during 2020.

- **e-City**, which offers integrated services to public administrations, including street lighting, digital services that support their town planning activities, energy efficiency services, and a complete, modular solution for the electrification of public transport, all with the objective of restructuring the urban environment with innovation, efficiency and integration. **In the last year, more than 140,000 lighting points have been acquired, 912 e-buses operate in Colombia, Chile and Spain, while about 1,700 municipalities in Italy use the YoUrban portal** for maximum control over the level of services offered by Enel X and to monitor their progress. This portal will be extended to the other countries served by Enel over the next few years.
- **e-Industries**, which offers solutions for companies with a special focus on flexibility-related services. Enel X has confirmed its leadership in the demand response area, with capacity totaling more than 6

E-BUS LAB for Covid-19

Enel X continues to work on the creation and development, in cities around the world, of innovative charging systems that facilitate the effective development of electric urban transportation, providing finance, charging points, infrastructure and energy services. Numerous electric buses are already running in Chile, Colombia, Uruguay and Peru. At the bus terminals in Barcelona, in Spain, Enel X has worked with TMB, the local transport operator, to install a rapid charging system along public routes.

In 2020, an electric bus in Santiago de Chile was equipped as a mobile laboratory to support the identification of Covid-19 cases. The mobile lab enter into service initially in the La Pintana district. As the first of its kind in Chile, the vehicle is equipped with a lounge area for the transportation of healthcare personnel (2 nurses, 1 nurse-technician and 1 administrative person), an administrative area, a health check cabin for taking samples and a storage area. When a positive case is found, the results are sent by text message to the patient and the local healthcare teams, for adequate follow up.

GW under management globally, and has helped customers to close PPA totaling 500 MW around the world, with an emphasis on North America.

- **e-Home**, dedicated to people, with a mission to manage domestic ecosystems, which offers innovative automation products and services accessible by all, for more intelligent, secure and efficient homes. About 55,000 highly energy efficient items of residential equipment (conditioners, water heater, solar systems) were installed during 2020, approximately half of which in Italy alone, contributing to the achievement of challenging energy efficiency objectives and avoiding the annual emission of about 15,000 tons of CO_2. Enel X Sun Plug & Play has also been launched. This innovative solar system can be installed quickly and easily on balcony railings (or walls), delivering immediate savings on household electricity consumption.
- **e-Mobility**, which covers all types of customer with a view to becoming a technological leader in the sector, promoting electric mobility and the ever wider availability of increasingly efficient charging points. Over 90,000 charging points are connected to the JuicePass app, which manages all the charging services available on public and private columns. Enel X even entered into the Chinese market during 2020.
- **Financial Services.** Just one year after official inclusion on the Bank of Italy register of financial sector operators (with an e-money license), during 2020 Enel X Financial Services Srl presented the Italian market with its first consumer product, Enel X Pay, the agile and secure online current account that is easily accessible by app, with Italian IBAN and digital and physical cards linked to the Mastercard circuit. Enel X Pay responds to the need for ever more simple and secure payment instruments, without intermediaries, by providing a payment solution that keeps pace with technological change in an evolving world. Enel X Pay makes it easy to pay for coffee on the go, the latest delivery while relaxing on the couch, car taxes and bills before they fall due, make credit transfers, top-up phones, transfer cash P2P, pay various levies, interbank orders (MAV) and tax demands (RAV), and access the PagoPA system (payments by citizens and companies to the public administrations and the managers of public services).
- **Ultra Broadband**. Enel X offers companies, residential customers and urban centers a series of solutions for obtaining the benefits of Ultra Broadband (UBB). Enel's electricity infrastructure is used to promote the development of optical fiber networks and, as a wholesale infrastructure operator, the TMT (Telecommunication Media Technology) segment is offered a portfolio of neutral connectivity services.
  The UBB solutions provide wholesale connectivity to companies via dark fiber and circuit capacity services. In addition, FTTH (Fiber to the Home) connections are made available to residential users and SMEs, via active or passive services targeting TLC operators (over the past year, the program has been launched in Bogota, San Paolo and Buenos Aires), 4G availability is being expanded and 5G introduced with hosting and aerial connectivity services.
  Ufinet, the leading wholesaler of optical fiber networks in Latin America with which Enel X has partnered, won the 2020 Frost & Sullivan Best Practices Award for persons and organizations that have innovated strongly or made a dramatic difference.

Enel X is guiding the energy transformation throughout the world, due to its ability to adopt and change rapidly, and act as a catalyst for innovation and change that improve constantly the lives of people.

Among the various innovation projects developed in 2020, a new, free solution known as **Enel X & Here City Analytics - Mobility Map** has been devised, designed, developed and adopted in record time, in response to the Covid-19 emergency. The daily mobility statistics are intended to help public administrations verify the effectiveness of their mobility restriction policies in combating Covid-19 and define data-driven strategies for the new phase of normality. The project, implemented in partnership with Here Technologies, draws on various data sources (cars connected, maps, navigation systems, mobile apps, open data) to generate indicators of mobility at national, regional, provincial, municipal and sub-municipal level. After launching the service in Italy (April 9, 2020), Enel X & Here City Analytics - Mobility Map was also released in Spain (April 30, 2020) and Brazil (May 22, 2020). The map has been clicked on more than 3.5 million times by over 200,000 unique visitors and, via the Enel X YoUrban portal, more than 1,800 PA users are able to download additional start and destination data for movements between key cities and regions.

Due to the pandemic, demand for remote medical advice has increased and, accordingly, Enel X has developed the Smart Axistance Diabetes project which provides a 24/7 monitoring service for the management of diabetes. This project offers an integrated ecosystem of digital tools that are able to make various measurements (glycemia, ketonemia, weight, body mass index, blood pressure, heart rate) and, via the app, record the data in an on-line clinical record that can be consulted at any time, any day of the week. In addition to monitoring their own clinical parameters or speaking to doctors or specialists directly from home, customers in need can benefit from the support of a central medical team capable of providing immediate answers.

Enel X and Mastercard also won a tender promoted by the Israeli government for the creation of an innovation laboratory which aims to stimulate the development of fintech and cyber security start-ups in Israel (FinSec Lab in Be'er Sheva). For further details, see the "Innovation" chapter of this document.

The electrification of consumption in transportation, buildings and industries, and digitalization via the use of global platforms, are the critical success factors of Enel X, which also has the sustainability/circularity of solutions as a competitive advantage. In this regard, the company has set up a specific process, known as the **Enel X Boosting Program**, unique in terms of completeness and innovation, that can measure the circularity of the solutions offered in order to identify possible improvements and the related roadmap. All the details are presented in the "Circular economy" chapter of this document.

JuiceAbility, the product that safeguards the universal right to mobility

In 2020, JuiceAbility won the "Award of Awards", the Italian national award for innovation. This product was launched in 2019 in order to guarantee autonomous and safe movement for the drivers of the more than 90,000 electric wheelchairs in Italy who, at present, are unable to charge their batteries easily if they have insufficient capacity to cover the desired distance, for example between home and work. Accordingly, together with the developers of the electric wheelchair project (Avanchair), a universal adapter has been created so that persons with motor disabilities can charge their batteries using the Enel X infrastructure, which is available on an increasingly grassroots level.

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Gender - % of women in selection processes[1]	**50%** women	**44%** women	**OFF-PLAN**	**50%** women	S	5
Climate survey (%)	**100%** people[2] involved **87%** participants	**100%** people[2] involved **70%** participants	**ON-PLAN** **OFF-PLAN**	**100%** people[2] involved **87%** participants	S	8
Performance appraisal (%)	**100%** people[2] involved **99%** appraised	**100%** people[2] involved **99%** appraised	**ON-PLAN**	**100%** people[2] involved **99%** appraised	S	8
Reskilling and upskilling – Promote and plan reskilling and upskilling programmes for Enel people in order to support the energy transition	**60%** training for upskilling and reskilling	**ON-PLAN**	Promote and plan reskilling and upskilling programmes for Enel people in order to support the energy transition	S T	4 8
Gender – Female managers[3] and middle managers (%)	Increase the number of female managers and middle managers	**21.6%** managers **30.4%** middle managers **29.4%** managers and middle managers	**ON-PLAN**	**22.6%** managers **30.6%** middle managers **29.7%** managers and middle managers	S	5
Disability - Adopting a systemic approach to disability inclusion	Appointing Focal Points in **100%** of the Group Countries in which there is at least one Enel person with a disability	Focal Point appointed in **100%** of the Group Countries in which there is at least one Enel person with a disability	**ON-PLAN**	• 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	S	8

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Digital skills – Promote training on digital skills among all Enel people	**100%** people involved	**54%** people involved	**ON-PLAN**	**35** new "digital sustainability" initiatives[4] over the period 2021–2023	S T	4
Scholarships available for Enel people	**390** scholarships over the period 2020-2022	**162** scholarships	**ON-PLAN**	**390** scholarships over the period 2021-2023	S	4 17
Travel Security[5]	Further extension of e-Travel portal's functions (itinerary planning and authorization process for all countries)	Roll out completed in **14** Countries	**ON-PLAN**	The topic of Travel Security was included when redefining the target "Physical protection of people abroad"	S	3 8
Physical protection of people abroad[6]	Re-issue of the tender for Travel Security and Threat Intelligence services	Tender awarded and new operational services launched	**ON-PLAN**	• Preparation of the new "Travel App" • Development of risk mapping by geographic region	S	3 8
	Evolution of the Global Security Dashboard portal (GSD) with new Travel and Local Security indicators	• Completed the evolution for the integration and management of data on the spread of Covid-19 • It is being assessed whether to integrate additional information sources, made available by the new provider of Global Travel and Risk Analysis Services	**ON-PLAN**			

(1) Selection processes involving blue collar workers and the USA perimeter are not included as local legislation protecting anti-discriminatory practices in the recruiting phase does not allow this figure to be monitored.
(2) 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.
(3) Including female top managers.
(4) Digital sustainability initiatives are aimed at promoting awareness of sustainability issues through digital technology.
(5) Includes international and intercontinental travel by authorized Enel people, monitored by the integrated Travel Security system.
(6) This refers to services to mitigate the risk of assault and kidnapping for colleagues working in countries with very high levels of crime.

I Industrial E Environmental S Social G Governance T Technological

Goals
New Redefined Outdated

66,717
ENEL PEOPLE

22%
WOMEN IN THE WORKFORCE

3,131
NEW RECRUITS

40.9
TRAINING HOURS PER EMPLOYEE

OUR PEOPLE

| 102-7 | 103-2 | 103-3 | 401-1 | 404-1 | 405-1 | 405-2 |

As a result of the pandemic, 2020 was an exceptional year, which highlighted how the increase in the individual responsibility of our people has made it possible to guarantee operations and continuity in a crisis situation, and how the pathway embarked on cannot be left behind, but must rather mark the beginning of a new shared way of working. Over 36,000 people at Enel, of whom about 15,000 in Italy, started working remotely within a few days, experimenting with a new routine, profoundly different from how it used to be, and demonstrating great adaptability and a deep sense of responsibility. Therefore we have in 2020 carefully curated and strengthened our **people empowerment** processes, aimed at supporting the evolution of the organizational culture, to enable people to become more effective in the challenges they will face in the future. The evolution of the global scenario has also imposed a new, more dynamic world of work in which a different **leadership model** is needed: a **'soft' leadership** that values people's talents, attitudes and aspirations. The characteristics of the leader of the future are empathy, generosity, the ability to inspire, to work together to affirm the company's collective aspect, and to listen in order to boost their teams' potential. In a scenario undergoing a constant transformation, the necessary skills change: **upskilling** and **reskilling** strategies assume ever greater importance to allow companies to develop talent and contribute to socially responsible approaches to accompany the transition without leaving anyone behind. We are therefore investing not only in technical tools, but also in relational skills, soft skills and proximity to our people. In a context of uncertainty and crisis, attention to caring for our people is central to us, through active engagement with individuals, different groups and organizational contexts.

The pathways of empowerment, **job change**, **mentoring**, **job shadowing**, **coaching** and **open feedback** favor the sharing of knowledge of people who, with a view to circular economy, are contributing their skills to help others. Despite the pandemic, to take advantage of the opportunities for digitization, it was possible to continue mentoring, coaching and shadowing, via remote sessions, to exchange experiences, acquire different points of view, expand skills and strengthen the network of relationships.

Trust, **responsibility**, **proactivity** and **innovation** are the key values of our Open Power approach, the basis of the creation of an open and dynamic working environment, which favors the entrepreneurial approach, risk-taking and management of discontinuity, courtesy of the increasing integration of diversity. These are the values that enable us to continue to grow while maintaining the commitments made with our people, our customers and the market.

OPEN POWER

Can "I" empower "us"? Or must it compete with the others and win? In reality, the "us" is extremely important: seeing the world through the eyes of others removes our blind spots.

Why is it important for our stakeholders?

The community that surrounds us is betting on our value over time. This means relying not on an abstract entity but on all our colleagues, on our values, and on the ability to accept different internal and external points of view.

Guido Stratta

People and Organization

Why is it important for Enel?

A company that becomes the supporting architecture of a generative culture is sustainable, open and ready to react to the challenges of the future. By realizing that the "I" is enriched by belonging to a team, we move from individualism to success.

Enel people in the world and the Open Power model

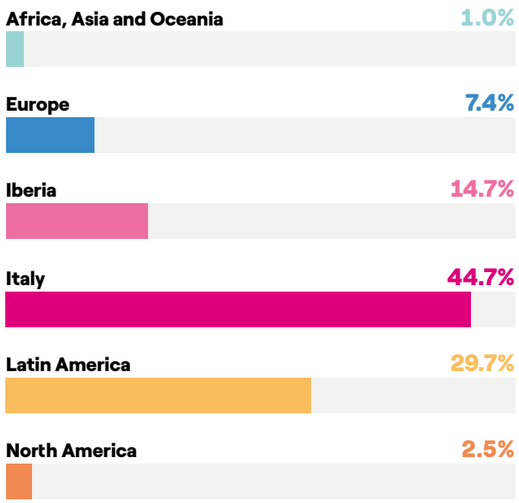
As at December 31, 2020, the Enel workforce numbered **66,717**, down by 1,536 compared to the end of 2019. This reduction is the effect of the net balance between new recruits and terminations in the year (-565 people) and the change in scope (accounting overall for -971 people), including the sale of the hydroelectric power plants in the United States, the sale of the Reftinskaya GRES plant in Russia and the acquisition of Viva Labs AS (Enel X Norway).

WORKFORCE BY BUSINESS LINE

no.	December 31, 2020	December 31, 2019
Thermal Generation	8,142	9,432
Enel Green Power	8,298	7,957
Infrastructure & Networks	34,332	34,822
End-user Markets	6,324	6,336
Enel X	2,989	2,808
Services	5,731	6,013
Other	901	885
Total workforce	**66,717**	**68,253**

CHANGE IN WORKFORCE NUMBERS

Workforce as of December 31, 2019	**68,253**
New recruits	3,131
Terminations	-3,696
Change in scope	-971
Workforce as of December 31, 2020	**66,717**



Since 2015, Enel has been equipped with the **"Open Power"[1] model** of values and behaviors, expressed in a range of different operating aspects with the aim of engaging the participation of the people working at Enel, and constituting the point of reference for all people management and development processes.

The People and Organization Function defines the organizational models in line with the Group strategy and the multiannual human resources management plan. The people selection, management and development processes are governed by specific policies and procedures that apply to the global and local levels, with specific sections of the company intranet (e.g. the meritocracy section). 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.

The main data and targets relating to the People and Organization Function are submitted to the Control and Risks Committee, to the Corporate Governance and Sustainability Committee and to the Board of Directors, at meetings focused on the Sustainability Plan, the Sustainability Report, and the advancement of Enel's position in the main ESG ratings and sustainability indices. The People and Organization Innovability unit was set up within the People and Organization Function in October 2020, with responsibility for integrating sustainability into people management processes, developing people care and inclusion initiatives, disseminating Open Innovation culture and methodologies and Employer Branding. It also acts as reference point for the definition and development of the "**next normal**"[2].

(1) https://www.enel.com/company/stories/articles/2018/07/sustainability-report-2017-enel-model-open-power-seeding-energies.

(2) Next normal: our future way of working when it will be possible to return to a new dimension of "normality" at the end of the pandemic, at different times depending on the situation in various countries.

Connected and close: smart working and care during the outbreak

During the Covid-19 outbreak, Enel promptly intervened with measures to ensure **staff safety and the continuity of the business**. This was an action on a global scale, made possible by the smart working experience, which began in Italy as early as 2016 and was gradually extended throughout the Group, as well as by the technological transformation started in 2014, which led to the integration of digitization into the company strategy, making Enel the first entirely cloud-based utility service company. Over 36,000 people in the countries where the Group maintains a presence have worked in **smart working** mode, and a dedicated task force was set up in order to monitor the emergency, to decide on the action to be taken and to share experience across the various countries. Initiatives have also been set up to support the transition to the new digital scenario, promote a working culture based on autonomy, delegation and trust, and promote better time management, supporting the well-being of people and their families.

As well as smart working, many flexibility measures are active in the various countries. 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 or short week (2)	✓	✓	✓	✓	✓	✓	✓	✓
Time bank	✓				✓	✓	✓	✓
Flexible time	✓	✓		✓	✓	✓	✓	✓

(1) Argentina (smart working), Brazil (smart working, time bank, flexible time), Chile (smart working, telework, flexible time), Colombia (smart working, telework, flexible time), Peru (smart working, flexible time, seasonal schedule or short week)
(2) Short week in Italy, Romania, Russia; seasonal schedule in all other geographies.

At the start of the pandemic, Enel took out a **global insurance policy** for all employees in the event of admission to hospital due to Covid-19 infection, which has been extended to 2021. The policy, designed specifically for the Group's needs, guarantees an extra allowance in the event of admission to hospital, on top of all other policies and forms of healthcare already available to employees.

In Italy, a **trade union agreement** was also signed to protect people in the Company who were unable to work remotely during the lockdown, establishing a solidarity system whereby all employees could choose to donate one or more days of their holidays to the colleagues in question.

To provide emotional care for people during the Covid-19 outbreak, a free listening and **psychological support** service was made available from the very beginning in the Group's main countries. Moreover, the **#IWorkWellFromHome** video-manifesto was also created and disseminated via a dedicated communication campaign, with suggestions on how to improve remote working time management, encourage inclusion and delegation, safeguard physical and relational well-being and work-life balance, and counteract hyper-connection.

A dedicated section was created on the company global intranet with useful information, advice and materials. Specifically, the new section contains recommendations for prevention and behaviors to adopt together with information on working on digital and physical working, with a specific focus on cyber frauds.

Last but not least, three sections are available on the eDucation global platform, updated on a daily basis with new content:

- **"Working together"**: coaching clips, advice and suggestions for the best use of IT tools;
- **"Learning"**: support for smart working activities;
- **"Regenerating"**: tutorials on personal and family well-being.

Investing in our people

| 103-2 | 103-3 | 404-1 | 404-3 | DMA EU (former EU14) |

In the current scenario of transformation and uncertainty, which requires new skills, professionalism and flexibility of adaptation, our ambition is to provide an experience that inspires and empowers our people. Engaging and motivating our people to reach their full potential, providing opportunities for their personal and professional development, ensures that our business continues to grow and

succeeds in its support of our Group strategy. The selection and recruiting, training and development processes therefore play a key role at the Company.

Attracting new talent

Despite the pandemic, **over 3,100 new people were recruited** in 2020, relations with universities were consolidated by means of a series of *ad hoc* initiatives, and the Recruiting Day project was globally expanded, based on an aptitude model aimed at supporting the various recruitment requirements. As the pandemic progressed, new digital tools were also introduced to support the selection process: a pilot project introducing a video interview using a virtual assistant, artificial intelligence and a global gamification experience known as Enel Attitude: a mobile gaming app with the purpose of profiling people's aptitudes.

Over 2020, several – mainly digital – initiatives were developed, related to **talent attraction** and employer branding. The section of the careers site has been improved and the Enel People[3] campaign has been launched, to offer an exploration of life at the Company, listening to people's opinions on innovation, sustainability and technology, but also their personal experience at the Group. As well as collecting all open positions in the various countries where the group maintains a presence, the section thus represents the enormous diversity and wealth of experience of Enel's people. These initiatives have helped to strengthen the Group's positioning on the main external acquisition platforms, via a synergistic content strategy and an integrated user experience on the enel.com/careers website. Mobility at work was also promoted in 2020, enabling people to open up to new professional challenges, facilitating the diversification of competencies, and creating increasingly horizontal profiles. In Italy, 94.8% of positions were covered by internal candidates[4].

(3) https://www.enel.com/company/stories/articles/2020/03/enel-people

(4) This figure takes into account the number of "job posting" winners compared to total internal positions opened and closed in 2020. The candidates considered came from Italy and abroad, while the pool of position coverage only relates to Italy

Osmosis and cross-fertilization to unleash the creativity of our people

The energy transition and an increasingly advanced technological evolution, platformization, artificial intelligence and a very high degree of automation are factors that open up new scenarios for the Group and for people, and determine the need for new technical and professional profiles and the natural disappearance of others. Therefore, in response to the multiple stimuli of the outside world, the **reskilling** and **upskilling** programs have been boosted. The former is aimed at creating new work profiles through the learning of new skills to fill positions or roles different from previously; the latter, on the other hand, focused on the development of existing professional skills for an improvement in the performance of their role.

Ongoing training of people, also known as **continuous learning**, is the central pillar of our education strategy. In 2020, approximately 18 million euros were spent on training[5], with an average cost per employee of 277.5 euros[6]; 93.5% of the workforce took part in over 2.7 million hours of training (about 41 hours per head), around 100,000 hours more than the previous year, despite the Covid-19 pandemic, thanks to some of the training courses having been redesigned to be conducted remotely. Courtesy of the adaptability and versatility of the technological platforms, primarily the eDucation training platform, it became possible to build an advanced learning experience that has improved people's ability to take advantage of training using virtual tools and sessions. Enel's new training paradigm aims to contribute to the empowerment of people through the expansion of their knowledge, aiming at the cross-fertilization of knowledge, respect for diversity and a more active role for individuals, who can offer their personal skills. The courses on offer also included behavioral, managerial, agile and linguistic training, as well as sessions on well-being and safety, and digital skills and culture.

(5) Data extracted from the New Primo system, listing payments to external third parties that assisted in the start-up of training courses.

(6) The average value was calculated as a total of the payments made to external training service companies, divided by the total final headcount in 2020. The indicator does not report internal cost items, travel costs for training, cost of use, or maintenance of the LMS online platform.

Specifically, the training action lines are aimed at: strengthening the dissemination of **digital culture** with a view to sustainability, building a **train the trainer** approach, disseminating increasing proximity to the business ("close to business"), internally extending new behavioral styles related to **soft leadership**, training on **new skills** and **new habits** (new behaviors to face up to the next normal). In terms of digital skills, in 2020 Enel involved over 50% of people in dedicated training activities, and starting from 2021 it is committed to launching 20 global initiatives on **digital sustainability**: this ambitious goal aims to raise awareness of the opportunities offered by technology to be more sustainable and to minimize environmental impact. The dissemination of the train the trainer approach over 2021 will enhance the exchange of skills, attitudes and internal know-how, by means of the cross-fertilization of knowledge, from the most specialist to the most strategic.

In 2020, the **Schools** and **Academies** focused on programs dedicated to responding to the specific and technical training needs of the different business areas, in conjunction with university partners and renowned research institutes, with the support of the Enel Foundation. From 2016 to 2020, nine Schools and five Academies were activated and, in the future, to face the great challenges of the Strategic Plan, the Academy model is expected to be strengthened, to meet Group requirements better.

The three main areas of training in 2020 were digital culture, safety and **soft skills**. In 2021, there will be a specific focus on the new model of gentle leadership and new habits, behaviors and professional lifestyles, related to a constantly changing context. Finally, Enel's commitment to raising awareness of anti-corruption 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 the new training course on the new Enel Code of Ethics is scheduled for 2021, the document having been updated in 2020.

Valuing and enhancing our people

In 2019, the process of qualitative and quantitative **performance appraisal** saw the engagement of Group people at various levels in a fluid process of exchange and across the all-round feedback, shifting the focus towards the organizational network rather than pursuing a hierarchical model. In particular, 100% of eligible people[7] were involved in the 2019 process and the process was completed in July 2020, with a delay due to the pandemic. For 2020 performance appraisal, the process will be reviewed, aiming at boosting individual specificities and enhancing people's talents and inclinations.

Finally, a new campaign was launched to define **succession planning**, the process whereby all Group managers are required to identify the high-potential people available to fill managerial roles in the short term (ready) and in the medium term (pipeline). To accompany successor development, the appointing manager, the manager responsible and the People and Organization Function identify shared development actions, based on individual and professional profile, in relation to the positions for which the successors have been earmarked. Successor identification follows criteria based on meritocracy, diversity and the horizontal nature of the profiles. New managers are appointed following an aptitude assessment, to explore the candidates' strengths and areas for improvement, assessing their readiness to hold a managerial position, by means of a structured process codified in specific guidelines. The assessment is designed to identify people capable of implementing Open Power values and behaviors, to meet the challenges that Enel sets itself.

(7) Eligible and reachable: those on a permanent contract, currently working and active for at least three months of 2019.

Elisabetta and the MaCro@ Work project

The awareness of the ethical and social importance of health in the workplace, and increasing attentiveness to the themes of care and inclusion are the basis of Enel's choice to address the issue of people suffering from chronic diseases at work, a topic often still unexplored in organizations.
Elisabetta, who knows this situation well because she experiences it every day, has for two years led the **MaCro@Work** project, focusing on **people with chronic illness at work**, a project long covered by Enel, with the aim of making the working environment truly inclusive for everyone, regardless of living conditions.
The project is the result of an intercompany research in which Enel is involved, and of an internal survey to over 6,000 people who are directly or indirectly affected by a chronic disease. The data highlighted cultural, organizational and managerial obstacles, but also opportunities to improve the work experience. Central themes for people involved in a chronic illness are the fear of being themselves and of being judged, of not living up to professional expectations, of showing their real personalities and explaining their needs. But at the same time there is the desire to return to the normality of work as a living space for relationships and socialization, and to escape the isolation of the disease. Hiding or not properly managing fears and desires is not only to the detriment of the people, but also to the organization as a whole.

Elisabetta's sensitivity, passion and courage are the extra "fuel" of the **MaCro@Work Caring Program**, which is intended to create a collaborative network around the people with chronical illness, with the aim of improving the relational well-being of the entire environment in which they live. Empathy, caring for people and cohesion form part of a new corporate culture to create a positive, constructive and inclusive approach, without prejudice. The **Caring Managers' Network** is made of people and business partners who join voluntarily the project and decide to be the contact people for those with chronic diseases and their network in the workplace. In full respect of their privacy, they provide empathic listening and support at the delicate time when a disease arises, when many questions and practical issues need to be managed.
The Covid-19 outbreak was an accelerator of the project, as this scenario has had a profound impact on the lives of chronically ill people for example for the limited possibilities of access to care and the exponential complexity of the simplest daily activities for vulnerable people.
Elisabetta's entrepreneurship once again made a difference here, because she decided, in the midst of the outbreak, to take part in the challenge launched on openinnovability.com to gather ideas aimed at getting Italy going again. As one of hundreds of proposals, her idea of corporate volunteering to support the daily activities of "fragile" colleagues was selected and is now being implemented. The pilot has been launched, and the first people in the Company are benefiting from the services of shopping and medicines home delivery, as well as the practical handling service she designed. But this is only the first step, and we already know that there will be many more.

Listening and dialogue

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In light of the digitization of relationships as a result of the Covid-19 pandemic, Enel has also decided to revisit the listening channel. While most of the listening within the Group until 2018 took the form of the **climate survey**, which takes place every two years, in 2020 the ground was prepared to lead people towards more constant and dynamic ways of listening and direct involvement in the implementation of sustainable action plans aimed at improving organizational well-being.
In late December 2020, the "**Open Listening: An interview to build our future**" survey was launched. 70% of people responded to an invitation to imagine the future of work in the era of the "next normal", from remote working methods to workspaces, from new technologies and psychological/physical well-being to the new leadership models of the future. **The overall level of people engagement was 93.5%** (the overall engagement index result for the previous Climate Survey was 81%). To follow the results, targeted, global and specific action plans will be drawn up on the various targets.
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, know-how and experience. Internal communications are also the main vector to disseminate the Enel strategy and the objectives identified for the near future.

Diversity and inclusion

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Inclusion = Value is the paradigm that represents our approach to attention to people, based on the inclusion of diversity as an essential factor in the creation of sustainable value. This approach is even more relevant these days, given current circumstances where it is essential to innovate, co-create, bring out and attract talents and create a framework that enables everyone to express their uniqueness at all times, even in new, unprecedented situations. At Enel, inclusion means **taking care** of all aspects of diversity, from the visible to the most concealed, and to enhance the multiple talents of each person. It also means **creating open contexts** that welcome diversity and ensure everyday organizational and interpersonal conditions so that everyone's potential can be expressed freely, stimulating innovation and promoting new opportunities.
Enel's commitment to diversity and inclusion started in 2013 with the issue of the Policy on **Human Rights**, followed in 2015 by the **Diversity and Inclusion** Policy, in parallel with adoption of the seven Women Empowerment Principles (WEP) promoted by the UN Global Compact and UN Women and in compliance with the UN Sustainable Development Goals. The Policy acts as a reference point for of the evolution of the Group's culture of caring and inclusion. Its fundamental principles of non-discrimination, equal opportunities and equal dignity for all forms of diversity, inclusion, balance between private and professional life are milestones for the development of specific initiatives that address as a priority the dimensions of gender, disability, age, nationality and the dissemination of the culture of inclusion at all levels and in all organizational contexts.
In 2019, the **Workplace Harassment Policy** was also published, which highlights the principle of respect for individual integrity and dignity in the workplace and addresses the issue of sexual and discrimination-related harassment. In 2020, the principles of the aforementioned policy were recalled in the **Statement against harassment in the workplace**, published on the Enel website. On issues related to harassment, several countries launched specific training initiatives in 2020 (Italy, USA and Canada, Peru, Colombia, Korea and Australia); in 2021, a global course will be launched for all Group countries.
The People Care and Diversity Management Holding unit, created in 2016 and merged in 2020 into the new People and Organization Innovability unit, performs governance functions globally on these issues, ensuring harmonization and monitoring of local initiatives and best practice sharing. Indicators measuring progress on diversity and inclusion are the focus of a detailed reporting process.
Enel's commitment to diversity and inclusion is also stated in public objectives in the Sustainability Plan, the progress of which is documented in the Sustainability Report. These aim to increase the **percentage of women in selection processes**, **the percentage of women managers and middle managers**, and promote **the adoption of a systemic approach to the inclusion of people with disabilities**. The **Sustainability Plan and Report** are analyzed by the Corporate Governance and Sustainability Committee and the Control and Risk Committee, and subsequently approved

by the Board of Directors. In late 2020, the Board of Directors approved a specific action plan associated with the **Value for Disability** project, with the aim of expressing the potential of people living with disabilities at company, social and economic level.
Enel has obtained numerous acknowledgements in thematic indices and in the main rankings related to diversity and inclusion which recognize the value created by Enel's sustainable and innovative business model for people, the Group and society.
The commitment and transparency in favor of gender inclusion were confirmed by **Bloomberg in 2021**, with the inclusion of Enel and its Spanish subsidiary Endesa in its **Gender Equality Index** for the second time. Enel was acknowledged for its commitment to promoting the presence of women on the Board, in managerial positions and in new hires, the contribution in terms of pay equality and work-life balance, and in the prevention of harassment.
The Company ranked eighth in the world in March 2021 and among the top 100 companies in the index, as well as being the first company in Italy in the **Gender Equality Global Report & Ranking**. This positioning followed the March 2020 inclusion in the **Equileap** top 20 Gender Equality rankings in Europe. The ranking analyzes 19 criteria related to gender policy, including gender balance throughout the corporate population, gender pay gap, parental leave, and the prevention of sexual harassment.
In addition, in 2020 the Group ranked first within the "Electric Utilities and Independent Power Producers" industry group of the **Refinitiv Diversity and Inclusion Index**. The index has rewarded Enel's attention to gender diversity, workplace inclusion policies and human capital development. In 2020, several awards were recognized for the promotion of diversity and inclusion in the countries, including the Impulsa Talento Femenino award (Chile), the Friendly Biz Corporativo and Sello de Oro Equipares awards (Colombia), Best Workplace 2020 (Greece) and the Expocoaching Award (Spain).

Unlock Inclusion

At Enel, the evolution of the culture of inclusion represents a journey of various steps, represented in 2017 by the awareness of the value of all diversity, in 2018 by the importance of the uniqueness of each person to create value for people and the business, and in 2019 by the sustainable value generated by inclusive behaviors.
In 2020, when agile working methods were tested under emergency conditions, inclusion took on an ever deeper meaning. It is important to ensure that people are genuinely connected and to stimulate individual responsibility to act consciously to overcome the invisible barriers that technology can create under such conditions. Enel then organized a global event, "**Unlock Inclusion**", with the aim of stimulating reflection on the behaviors that generate authentic inclusion and the conditions to ensure a context to enable these, by means of live-streamed round tables, workshops and local events. Awareness-raising initiatives on the culture of inclusion also involved about 1,500 Group managers, with an online training session on unconscious bias, with the aim of exploring how they work and which strategies can contain them.
The Company's commitment to the culture of inclusion of diversity is also expressed in the measures taken by the governing bodies with regard to their composition and in their constant attention to company strategies on these issues.

Including all

Boosting diversity means paying attention to its multiple aspects.
In terms of **age**, the various countries and Business Lines promote a wide range of training initiatives and the exchange of intergenerational knowledge. In 2020, over 120 juniors and 620 seniors have been involved in internal training, coaching, mentoring, shadowing initiatives and as ambassadors on specific topics. In particular, Colombia has started the "Talent Silver" project, Peru the "Sensei Program" and Greece the "Your voice" project. A global plan is in place to activate a tutor both to accompany the onboarding period of newly hired colleagues and to facilitate the integration of expat colleagues in their destination country.
In terms of **LGBTQ+** issues, some countries (Argentina, Mexico, Chile, Greece, Romania, Germany, Australia, Italy and Peru) have organized awareness-raising, training and specific communications campaigns to reflect on inclusive language, shed light on stereotypes and explore specific aspects of LGBTQ+ perspective, in particular for IDAHOBIT Day[8].
Ethnic diversity is a topic of increasing attention in some countries, especially in North America, where it is one of the priorities of the diversity management approach, also confirmed in public statements of the management against racism, starting from the candidate selection and recruiting phase. In Brazil, too, the enhancement of ethnic diversity is considered a central element and is taken into account from the selection phase onwards, with positions dedicated to people of color.

(8) International Day Against Homophobia, Transphobia and Biphobia.

The gender and gender pay gaps: our action plan

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Enel continues its commitment to overcoming the gender gap and achieving pay 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 personal and professional life. The action plan aims to achieve equal pay by leveraging on measures that influence the pay gap both directly and indirectly, producing a gradual increase in female representation at different organizational levels, thus promoting natural generational renewal and consequently equal pay.
With regard to **indirect measures**, there is 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 four years (44% in 2020) and a target of 50% in 2021.
A major commitment has also been made to increase the number of women in positions of responsibility. Various actions have been introduced globally, including a public goal to increase the number of women managers and middle managers and the setting of criteria for the fair composition of succession plans. As at late 2020, women account for about 22% of the entire Group workforce, around 22% of the managers and approximately 11% in executive positions (CEO-1) out of the total of these positions (2 out of 18).
The **direct measures** with an impact on the gender pay gap include internal policies addressing succession plan management and salary review processes, which take into account gender diversity as 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.

The gender and gender pay gaps: our action plan

44% women in selection pools

22% women in the workforce

22% women managers

11% women in executive positions

44% women on the Board

For the purposes of monitoring equal pay, there is a steady increase in the Equal Remuneration Ratio (ERR[9]) index, 83.3% in 2020[10], a slight increase on the 83.2% in 2019 (equivalent to 82.4% at the same exchange rates against the euro). This result is proof of all the actions taken to advance women's standing, 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.

In countries where the Group maintains a presence, numerous initiatives are in place to promote the **empowerment** of women and a leadership style that welcomes traits inspired by female models such as "Empowering Conversations" in Italy, "Women Open Power" in Peru, "Resiliencia y Mujeres en tecnología" in Argentina and the "HER Community" experience in Greece.

As far as the **parental dimension** is concerned, there are several *ad hoc* parenting programs available to the Enel workforce, women and men alike. In all Group countries, the "Parental Program" is active, aimed at promoting organizational and personal awareness of the value of parenthood and at reconciling personal and professional needs in this stage in life.

Increasing importance is also accorded to supporting initiatives that promote the presence of women in study and professional pathways in **STEM** fields (Science, Technology, Engineering & Mathematics), 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. In particular, STEM initiatives are aimed at female students who will be working in a few years' time in the professions of the future, to which Enel looks with interest to increase gender diversity at all organizational levels. Every year, Enel organizes in all Group countries awareness and orientation sessions, in which thousands of young women take part. Specifically, in 2020 Italy launched the "Tech Talk" cycle of digital meetings , with the participation of female role models from the world of science, culture and entrepreneurship, at national and international level; Brazil organized the "Mujeres de Energia Program", a volunteer initiative involving women working in technical sectors as its spokespeople.

In Colombia the "Plan Semilla" aims to train and provide employment opportunities for women experiencing social hardship whereas the "USAID Program" aims to disseminate the importance of the role of women in the energy transition. Argentina organized courses on energy transition; finally, in Spain the "Desmontando estereotipos" and "Orienta – T" projects involving Enel colleagues and psychologists from external associations have been active for several years.

Finally, all countries have held numerous events for the 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 public 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 set on raising awareness for 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.

Value for Disability

Enel plays great attention to disabilities, of particular significance in Italy, which hosts 80% of **the Group's around 2,200 people living with disabilities**. 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. People living with disabilities are also present in some countries where there are no legislative constraints. 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.

In 2019, Enel's commitment was made public by the Group signing up to the worldwide "**Valuable 500**" initiative, aimed at private companies committed to recognizing and expressing the potential of disability at company, social and economic level. This membership resulted in 2020 in the worldwide "**Value for Disability**" project, aimed at defining concrete actions to promote the full inclusion of people with disabilities. The approval by the Board of Directors of the action plan resulting from the project in late 2020 was assigned as an MBO track to around 50 managers in the Functions involved. One specific stream of the project is dedicated to Enel employees, with a focus on physical and digital accessibility, participation in organizational life and evolution in the inclusivity of the corporate culture. As part of the project, a specific tool to detect the organizational needs of people living with disabilities has been designed and tested, inspired by international standards. In addition, the corporate commitment to the development of the inclusive culture in the organization has been underlined with the inclusion of the accessibility topic in the Code of Ethics and the disability targets in the Sustainability Plan. The action plan resulting from the project will develop over 2021 and specifically includes the validation and adoption of the questionnaire for work inclusion, the development and provision of widespread training on accessibility principles, the evolution from the perspective of inclusivity of safety, travel, recruiting and employer branding processes, and the establishment of a disability community network to facilitate the identification of new needs and the sharing of best practices. For further details on the project, see the "Sound governance" chapter of this document.

In 2020, further initiatives were implemented in different countries, with the support of specific organizational focal points. Among the most significant initiatives launched in Italy, worthy of note are the "Disability and Work Research" and the "Itaca project for intellectual disabilities" aimed at developing the acquisition of digital skills for people with mental illness, the launch of the IT call center dedicated to the assistance of people who use assistive tools, and the "Auticon" project to promote work inclusion for people with autism on specialist activities in IT processes.

In Spain, attention has been focused on improving the integration of people with disabilities at risk of exclusion from work, moreover with the "Plan Familia", which offers a counseling service is provided to colleagues with family members living with disabilities. South American countries have set a benchmark with other companies and have launched a survey to assess the level of disability awareness among colleagues; Colombia has started a recruitment project as part of the local Productivity Pact; in the United States, a campaign has been promoted to highlight the needs of people living with disabilities. For the International Day of Persons with Disabilities, various events have taken place in all Group countries to raise awareness of the value of different skills and to overcome stereotypes.

Caring for all

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Enel promotes organizational and personal well-being, as well as solutions to improve work-life balance and to support the tangible and daily needs of individuals in order to respect all the situations, including contingencies, that an individual may be required to deal with during their working life.

The non-salary benefits[11] awarded in the main Group countries[12] cover 98% of the Enel workforce. The main support initiatives and the extent of their coverage of the Enel workforce are set out below.

Non-salary benefits major Countries	Involvement
Covid-19 insurance	100%
Pension fund membership	81%
Additional parental measures (maternity, paternity and parental leave)	93%
Parenthood support initiatives	99%
Child support initiatives	83%
Loans	92%
Leisure and cultural initiatives	93%

(9) ERR (Equal Remuneration Ratio) = fixed + variable salary female managers / fixed + variable salary male managers.

(10) The new calculation methodology provided for the use of final balances for 2020 in line with the salary data used for the calculation of the ratio, unlike last year, when the average annual balances were used to calculate the indicator.

(11) Non-salary benefits are the series of goods and services provided by the company in addition to monetary pay.

(12) Italy, Brazil, Spain, Argentina, Romania, Chile, Colombia, Russia, USA, Peru, Mexico.

Caring activities concern the spheres of personal, family and organizational life. A few examples are given for each field, as carried out in the different countries where the Group maintains a presence.

- **Caring for people**. Among the initiatives taken by Enel, including to support new working methods during the Covid-19 outbreak, particular attention has been paid to the inclusion of those suffering from a chronic disease ("MaCro@Work Caring"). For further details, see the introduction to this chapter. In Italy, workshops have been organized on well-being, eating disorders and digital education, as well as fitness activities, meetings with writers and events to improve self-awareness, psychological counseling services for people exiting the Company and an awareness campaign for blood donation. 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, influencing 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.
- **Caring for families**. In 2020, a wide range of digital initiatives took place, including the "Enel Talent Day" webinars focused on university orientation and the world of work for employees' children, deployed in five editions in Italy and subsequently extended to Spain and Romania, involving a total of around 1,000 children. In Italy, a "Care Master" dedicated to caregivers in the Company has been organized. A subsidized online family counselling service is also active, as are the "New Parents, New Energy" parent training sessions. Time saving family services are also available: baby-sitting, elderly care and home help. A range of initiatives have been introduced, in conjunction with the mobility manager network, to promote the sustainable movements of Enel staff, including specific agreements for public transport subscriptions. Finally, all Enel 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.
- **Caring in the organization**. In addition to local legislation, many countries have taken measures to improve maternity, paternity and parental leave, and leave is granted for special days or in particularly severe circumstances. In Italy, from a solidarity point of view, holidays or rest periods (solidarity holidays) can be granted to colleagues to help their loved ones with very severe personal or family circumstances. Where maternity leave is concerned, in more than half of the main countries in which Enel operates, a higher number of leave days is offered than those provided by the local legislation. In terms of salary aspects, if local legislation does not guarantee full pay during the period of maternity leave, Enel intervenes to close the gap. With regard to paternity leave, in some countries, Enel intervenes with additional measures both in terms of the number of additional days of leave and in terms of salary, covering any gaps. Finally, various measures are available for child sickness leave, for the birth of twins with measures in addition to local legislation, and also in the event of adoption, where additional measures are extended to parents of adopted children. 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.

Supplementary healthcare assistance and additional pension coverage

| 103-2 | 103-3 |

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 2020, members were able to take advantage of symposia 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, 2020, 80% of Enel group employees were covered by retirement plans, mandatory or voluntary schemes.** The largest pension funds are in Italy (Fopen and Fondenel), Spain and Brazil.
See also the "Connected and close: smart working and care during the outbreak" 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 labor law in the various countries and the conventions of the International Labour 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 2020, the percentage of employees covered by collective bargaining agreements was 90.8%, in line with the figure for 2019 (91.1%).

Industrial relations activities on the Group level continue to be conducted in accordance with the model laid down in the Enel Global Framework Agreement (GFA) signed in Rome in 2013 with the Italian Federations, and the global unions IndustriALL and Public Services International. The agreement 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. These principles include one 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 force in the various countries, in line with the provisions of the ILO conventions. Enel 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. It also promotes initiatives to ensure equal pay for equal work for men and women. Under this agreement, Enel acknowledges the right of its employees to set up or participate in trade union associations in order to protect their interests. It also awards them the right to be represented, in the various generation units, by trade union organizations and other forms of representation elected in compliance with the legislation and practices in force in the countries concerned. Enel acknowledges the value of collective bargaining as a tool to determine the contractual conditions of its employees and to regulate relations between company 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 its employee 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 provides adequate information to its employees and to the trade union organizations that represent them, in order to facilitate collective bargaining. Enel therefore adheres to strict neutrality with regard to workers' decisions whether to join a trade union and/or the choice of the trade union by which to be represented; it recognizes as interlocutors the trade union representative of the workers in the Company, in compliance with national legislation. In the event of a discrepancy between local and international standards, Enel strives to apply the provisions that best protect workers' rights. The GFA agreement is also acknowledged and acclaimed as best practice among European and non-EU multinationals. Enel provides its people with a full range of information concerning collective labor agreements and trade union agreements, in accordance with current legislation, over the company intranet. In the event of organizational changes, Enel provides prompt information as indicated in the table below.

Country	Minimum Period	Legal Provisions/Collective Agreements
Italy	25 days	Legal provisions
Spain and Portugal	30 days	Guarantee Framework Agreement of Endesa SA and subsidiaries in Spain (September 12, 2007)
Russia	60 days	Legal provisions
Romania	Obligation to inform and consult worker representatives on business developments and to inform them periodically about the Company's economic situation. For group layoffs, at least 30 days' notice for the trade union organizations and 20 days' notice for workers. The maximum period for the group layoff procedure is 90 days	Legal provisions Collective agreement
Argentina	Obligation to periodically update worker representatives; traditionally the notice period for changes in working hours, employee roles or place of work is 48 hours, although there is no specific regulation	-
Brazil	Obligation to issue a "timely" notice	-
Colombia	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-
Peru	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-
Chile	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-

Priorities

- F Economic and financial value creation
- G Engaging local communities

Plan

Local and global communities

SDG

Target

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Inclusive and equitable quality education	**2.5 mil** beneficiaries by 2030[1]	**2.3 mil** beneficiaries (2015-2020)	**ON-PLAN**	**5.0 mil** beneficiaries by 2030[1]	S G	4 17
Affordable, reliable, sustainable and modern energy	**10.0 mil** beneficiaries by 2030[1]	**9.8 mil** beneficiaries (2015-2020)	**ON-PLAN**	**20.0 mil** beneficiaries by 2030[1]	S G	7 17
Sustained, inclusive and sustainable economic growth	**8.0 mil** beneficiaries by 2030[1]	**3.0 mil** beneficiaries (2015-2020)	**ON-PLAN**	**8.0 mil** beneficiaries by 2030[1]	S G	8 17
Strengthening of strategic partnerships and promotion of operational partnerships		**1,000** partnerships launched	**ON-PLAN**	Strengthening and promoting operational partnerships	S	17
Implementation of new projects in support of the communities in which Enel operates in order to create shared value (CSV)		**2,141** projects	**ON-PLAN**	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		**1,425** total CSV applications	**ON-PLAN**	Dissemination of the CSV model in operating assets	I S	9

(1) Cumulative figures since 2015.

I Industrial E Environmental S Social G Governance T Technological

Goals New Redefined Outdated

We bring energy to whoever is giving theirs and we support the more vulnerable groups during the Covid-19 pandemic

The effects of the Covid-19 pandemic have amplified vulnerabilities and also the inequality within the various communities we operate among. Thanks to the strong roots enmeshed in the territory, we have been able to identify immediate measures for supporting urgent medical and socio-economic needs in the poor countries where Enel operates, from Europe to Latin America, Asia to Africa and Australia. More specifically, around **450 sustainability projects** have been developed in two areas of intervention:

- containment of the health emergency with initiatives to support hospitals and for front line assistance to citizens;
- support for the economic revitalization of communities, through programs to support food security, development of micro-entrepreneurship, services dedicated to vulnerable customers and distance vocational and educational training.

Here are some examples of projects:

- **Allacciamo le energie** [Connecting energies] (Italy), by which Enel has connected to the electricity grid or increased the power of public-health facilities and areas, including temporarily, to tackle the medical emergency. From field hospitals, drive-in screening stations, to new care spaces placed adjacent to medical facilities or at trade fairs and hotels, tens of facilities throughout Italy have benefited from free connection to the electricity grid. The project was launched in March 2020 for the completion of the field hospital in Crema, a 35-bed medical facility constructed by the Italian army, enabling the supply of 400 kW to the installation for all the required equipment in just a few hours;
- **Home meal deliveries** (Brazil), where Enel X, in collaboration with Enel Distribuição São Paulo and Riba, an electric transport company, developed a home meal delivery system for the community of Paraisópolis in the southern part of São Paulo. By providing electric scooters and hiring delivery riders, logistics costs for the distribution of meals produced within the same community, delivered to residents in the area to support them during the pandemic, have been reduced. The initiative forms part of the Brazilian #Juntos-NaMesmaEnergia [Together with the same energy] campaign, a series of initiatives focused on prevention and action against Covid-19 in Brazil.

Other projects are described within this chapter.

more than
2,100
SUSTAINABILITY PROJECTS

8
million
BENEFICIARIES

1,425
CREATING SHARED VALUE APPLICATIONS

1,000
PARTNERSHIPS

LOCAL AND GLOBAL COMMUNITIES

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Responsible community relations constitute a pillar of Enel's strategy. Constantly and proactively considering the needs and priorities of society makes it possible to accept new challenges and redefine an increasingly competitive business model, developing new creating shared value strategies and innovating in processes, also through scalable solutions.

In 2020, with around **2,100 projects** and more than **8 million beneficiaries**[1] in the various countries where we are present, we made a tangible contribution to the development and social and economic growth of local areas: from the expansion of infrastructure to education and training programs, from initiatives aimed at social inclusion to projects designed to support cultural and economic activities. Specific initiatives were intended to promote access to energy, tackle energy poverty and promote social inclusion for the weaker categories of the population, by adopting new technologies and approaches of the **circular economy**.

The essential lever to carry out these projects is the recourse to around **1,000 partnerships** with non-profit organizations, social enterprises, start-ups and institutions operating locally and internationally that promote development of the territory through innovative and tailored interventions.

We are continually seeking social innovation ideas and solutions via the **Open Innovability®** ecosystem, based on openness and sharing (for more details, please see the "Innovation" chapter of this document).

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. 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.

With a view to mitigating the risk associated with relationships with communities 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 as needed. This configuration will be integrated further during 2021 by the implementation of specific projects for assessing human rights impacts in the individual assets (for more detail, please see the "Sound governance" chapter of this document).

(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 is 0.5 million for SDG 4 (0.3 million in 2019), 1.8 million for SDG 7 (1.6 million in 2019) and 0.8 million for SDG 8 (0.2 million in 2019).

Ensuring the best electric service accessible to everyone is the challenge we face in order to improve the living conditions of the communities where we operate.

Antonio Cammisecra

Global Infrastructure & Networks

Why is it important for our stakeholders?

Enabling access to green electricity in urban, suburban and rural areas, thanks to an open and participatory grid, is the key to sustainable development that is in line with the energy transition.

Why is it important for Enel?

The trust in using electricity thanks to an efficient and reliable service combined to the expansion of our networks are the enabling factors to support the customers' electrification choice.

Value for Disability

There are more than 1 billion people in the world living with disabilities, concentrated for the most part in low income countries: 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 launch local projects to promote an increase of skills, employability and entrepreneurship of disabled people. Here are some examples of projects:

- **"Balneario inclusivo"** [Inclusive swimming] (Chile). We created an inclusive beach by providing two amphibian chairs and other items that have allowed people with disabilities, who have never been able to go into the sea, to enjoy swimming fully. Around 600 direct beneficiaries and more than 3 thousand indirect ones, given that the beach welcomed all disabled people from the municipalities adjacent to the Quintero area;
- **"Cocina inclusiva"** [Inclusive cooking] (Chile). Substantive support for the development of entrepreneurship and skills of disabled people via the realization of an infrastructure within a school complex, which will act as a cooking laboratory and where people will be able to learn advanced culinary techniques. This training will help the young students in their quest for work. In addition, another success factor has been the partnership developed with the Association of industrial companies of Mejillones and with the company that provides the catering service to the Atacama site;
- **"Mettiamo su casa!"** [Let's make a home!] (Italy). An initiative launched by Enel Cuore in 2017, targeting tertiary sector associations, in partnership with other entities, with the aim of promoting home autonomy of young adults with intellectual and social disabilities. In selecting the numerous proposals received in response to the call, Enel Cuore gave priority to those interventions that were able to promote innovative and shared forms of living (flexible residency, co-housing, shared condominiums) and especially to guarantee people with disabilities a path of employment and work integrated with the community. We have supported a total of seven projects, each one with elements of innovation, transferability and sustainability, whose value is measured by the degree to which they change the life of people and their communities.

Context analysis
Identification of key factors relating to the social, economic and environmental aspects of the communities

Identification of stakeholders
Mapping and weighting of the main stakeholders and recording their needs

Analysis of the priorities and of risks/opportunities
Identification of priority issues for stakeholders and for the Company, identification of potential risks/opportunities

Definition of the CSV Plan
Definition of an action plan for the creation of shared value (CSV) in line with the priority issues which emerged with impact analyses

Execution of the CSV Plan
Implementation of actions defined in the CSV Plan, if necessary with the collaboration of strategic partners

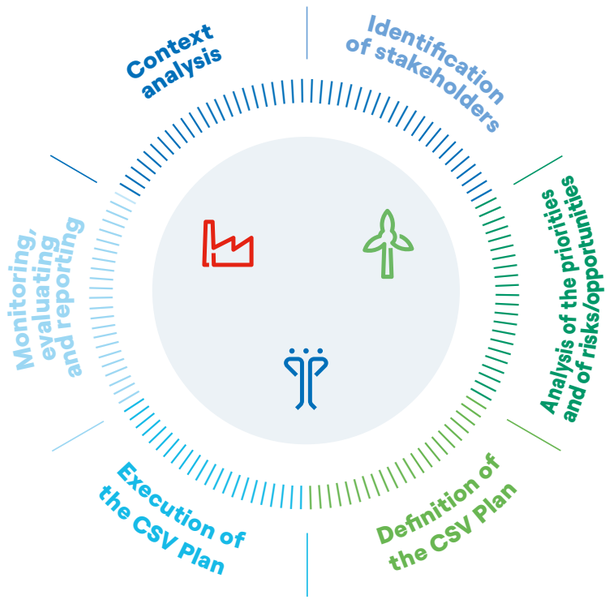
Monitoring, evaluating and reporting
Monitoring of the process, measurement of the impacts and reporting of the key indicators

Creating Shared Value

The significant results achieved to date were made possible thanks to a **"Creating Shared Value - CSV"** strategy and model, in which success of the company is directly related to the prosperity of the communities where it operates. The strategy stands on three primary pillars:

- making the **value chains** of the Business Lines sustainable by minimizing the use of natural resources and maximizing the value created for community (sustainable sites, for example);
- **developing sustainable and inclusive products and services**, for identifying solutions that solve the requirements of people (services for vulnerable and disabled clients, for example);
- **expanding the ecosystem of partnerships and collaborations**, to continually seek ideas and talents within and outside of the company.

Since 2015 we have launched a new way of managing relationships with communities via a **CSV model** that integrates socio-environmental factors within business processes and throughout the entire value chain, with special reference to operations of business development, engineering and construction and procurement, 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 Management System).
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 practices 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 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.

Results 2020

In 2020, 1,425 applications of the CSV model[2] have been realized in the various phases of the value chain.

CSV APPLICATIONS				enel
Business Development	**23**	**94**	**5**	**122**
Engineering & Construction	**4**	**66**	**2**	**72**
Operation & Maintenance	**78**	**1,080**	**71**	**1,231**(1)
				1,425

(1) The total value includes 2 CSV applications related to the Market area.

Within the Engineering and Construction phase and thanks to the best practices on circular economy and sustainability in the use of resources for renewable energy generation, we have defined a "**sustainable construction site**" model. This has the aim of minimizing impacts (for example by installing photovoltaic solar panels to meet part of the energy demand, the adoption of measures for saving water, including the installation of water tanks and rainwater collection systems, the use of electric vehicles for transferring workers from the city to the construction site and for travel within the construction site) and for promoting the opportunity for development via the involvement of local manpower, at the same time guaranteeing better operating efficiency and respect for the region. The primary indicators defined for the application of the model and relating to the various Business Lines:

- reduction of environmental impacts (emissions, water use, waste management, saving natural resources, biodiversity);
- social inclusion (local manpower, health and safety, local community projects);
- development of the circular economy (reuse of materials, extension of useful life, shared platforms).

(2) An application is interpreted as the use of at least one CSV instrument in relation to an asset, in any phase of the value chain 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 CSV applications for 2020 amounts to 1,396 (compared to 1,318 in 2019).

Value for countries and territories

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:

- ensuring inclusive, equitable and quality education (SDG 4), which has benefited 2.3 million people[3];
- ensuring access to affordable, reliable, sustainable and modern energy (SDG 7) which has affected 9.8 million people to date[4];
- promoting sustained, lasting, inclusive and sustainable economic growth (SDG 8) with 3 million beneficiaries[5].

Activities	Targets 2015-2030	Results 2015-2020	Status	SDG
Quality education	**5 million** beneficiaries	**2.3 mil** 2015: **0.1** mil 2016: **0.2** mil 2017: **0.3** mil 2018: **0.4** mil 2019[1]: **0.3** mil 2020[1]: **1.0** mil	**ON PLAN**	4 QUALITY EDUCATION
Affordable and clean energy	**20 million** beneficiaries	**9.8 mil** 2015: **1.5** mil 2016: **1.3** mil 2017: **1.3** mil 2018: **2.2** mil 2019[1]: **1.6** mil 2020[1]: **1.9** mil	**ON PLAN**	7 AFFORDABLE AND CLEAN ENERGY
Decent work and economic growth	**8 million** beneficiaries	**3 mil** 2015: **0.4** mil 2016: **0.7** mil 2017: **0.4** mil 2018: **0.3** mil 2019[1]: **0.3** mil 2020[1]: **0.9** mil	**ON PLAN**	8 DECENT WORK AND ECONOMIC GROWTH

(1) The number of beneficiaries takes into account activities and projects carried out in all areas in which the Group operates. For the NFS perimeter alone (excluding companies consolidated using the equity method, foundations, Group non-profit organizations and companies to which the Build, Sell and Operate - BSO mechanism has been applied), the number of beneficiaries is 0.5 million for SDG 4 (0.3 million in 2019), 1.8 million for SDG 7 (1.6 million in 2019) and 0.8 million for SDG 8 (0.2 million in 2019).

The results achieved have allowed us to review our goals for 2030, doubling the number of people that may benefit from projects that ensure quality education (**SDG 4: target of 5 million beneficiaries for 2030**) and access to energy (**SDG 7: target of 20 million beneficiaries for 2030**). We have also confirmed the commitment to initiatives for promoting lasting, inclusive and sustainable economic growth (**SDG 8: target of 8 million beneficiaries for 2030**).

(3) Cumulative data from 2015-2020 on the total number of beneficiaries of SDG 4 to date.

(4) Cumulative data from 2015-2020 on the total number of beneficiaries of SDG 7 to date.

(5) Cumulative data from 2015-2020 on the total number of beneficiaries of SDG 8 to date.

The LBG method

| 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. The LBG (London Benchmarking Group) method, defined by a work group in which more than 100 international companies participate, identifies a measurement model that makes it possible to clearly determine and classify the Company's contribution towards the development of the communities where it is present.

In particular, according to the LBG standard, the expense for the contributions to the communities can be divided as follows:

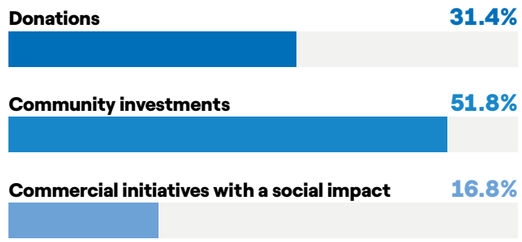
- donations: *pro bono* contributions and without obligations for the beneficiaries, except that they have to use the donation for charitable purposes and for non-profit associations. For Enel, this item includes all the monetary and "in kind" charitable donations, including those for philanthropic and solidarity activities;
- community investments: medium-long term involvement in community support projects, also in partnership with local organizations, aimed at addressing significant problems both for the territory and 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 2020, we contributed **more than 104 million euros[6]** to the communities we operate in.

(6) This amount relates to:
- Cash contributions - approximately 95 million euros;
- Time: employee volunteering during paid working hours - approximately 0.1 million euros;
- In-kind giving: product or services donations, projects/partnerships or similar - approximately 5 million euros;
- Management overheads - approximately 4 million euros.

In 2020, commercial initiatives and community investments were lower than in 2019 especially in Europe and Latin America due to Covid, which impacted events and activities that were planned but not realized. Spending on good causes however increased strongly compared to 2019, especially in Spain due to the grants for the purchase of medical equipment together with donations to public and private institutions working to tackle the pandemic.

Initiatives in favor of communities by type 2020



Some examples of sustainability projects

- **"Urban gardens below electricity lines" (Brazil)**: the program, developed with a local partner, promotes and incentivizes the creation of urban gardens by offering parcels of Enel-owned land situated under electricity transmission cables to residents of urban areas to cultivate organic food. The produce of the gardens is then marketed and sold directly by the local growers, thereby creating opportunities for work, professional training, social entrepreneurship for low-income communities. The initiative represents an opportunity for requalifying the urban space below the electricity cables, at the same time supporting the commercial activities of small producers and growers. Following the Covid-19 pandemic, we established a partnership for supplying 11 tons of food produced by the urban planters for the community of Paraisópolis, providing direct and substantive support to particularly vulnerable communities. This partnership forms part of the pilot project developed by Enel Distribuição São Paulo with the NGO, Cidades sem Fome.
- **Digitization and support for SMEs to tackle the Covid-19 crisis (Spain):** Endesa and the non-profit organization Youth Business Spain Foundation launched a national program with the goal of helping small businesses and independent workers tackle the economic crisis caused by the interruption of entrepreneurial activity in many sectors, due to Covid-19. The program assists small business men and women to enter into a program of orientation and reactivation of activities via dedicated consulting and training plans, social micro-lending initiatives, the purchase of computer equipment and support for the development of ICT and digital skills, offering them a strategic overview for

the development of websites, e-commerce platforms and digitization of customer relationships. The project forms an instrument for social and economic integration and is aimed in particular at the groups considered the most vulnerable: young people up to 35 years, small entrepreneurs in the 55 to 65 age group, women, immigrants, ethnic minorities and people with disabilities.

- **Help for families to overcome the digital divide (Spain)**: the interruption of in-person education during the pandemic has given rise to numerous problems associated with the digital divide, causing difficulties especially among low-income families who have no PC or tablet or Internet connection. Via a series of actions, Endesa is committed to rebalancing the digital divide among children and young people of various economic backgrounds, with the aim of avoiding a real educational crisis in the areas most at risk, such as the peripheries of large cities or rural areas. The plan envisages education in digital skills for teachers and students, as well as the donation of more than 5 thousand computers and computer devices to students belonging to families in vulnerable situations.

Aurora solar Park: our first sustainable, dual-use plant

Solar energy with dual-use means using the land for generating solar energy and at the same time applying practices to preserve the natural capital and offer services to the ecosystem. The Aurora Park does not just generate energy, but plays an essential role for pollinators, wild fauna and in improving water quality. Certain studies have demonstrated that climate change has contributed to the reduction of the bee population[1], these fundamental pollinators help maintain our ecosystem. At Aurora Park, our approach with a secondary aim, of defending pollinators, is helping us to resolve both problems. We generate energy without harmful emissions and provide a favorable habitat for bees. The beekeeping cooperatives found beyond the fence, but still on Enel land, are exploiting the local flora and ecosystem at the Aurora site to help the populations of bees, with the aim of enhancing the productivity of growers of the surrounding agricultural businesses. In addition, these generate a sweet product that consumers can enjoy: Aurora honey is being sold to the food and drinks industry and is being used in products such as snacks and even beer.

(1) https://science.sciencemag.org/content/367/6478/685.

Enel Cuore

The Enel Cuore [Enel Heart] non-profit organization born in 2003 out of our wish to express our commitment to social solidarity in a transparent way, to be close to people and the community with genuine heartfelt energy. Thanks to the Open Power approach, the non-profit is increasingly involved in social issues by supporting numerous activities of tertiary sector organizations in Italy. As in previous years, during 2020, the orientation towards large-impact projects for the community's children and young people, but also adults, especially in the poorer socio-economic conditions, addressed support for education, parenthood and work.

However in 2020, to meet the health care needs and support our country in the Covid-19 pandemic, Enel Cuore concentrated efforts on projects for supporting frontline organizations involved in tackling the emergency, with a contribution of 23 million euros for Civil Protection Department, medical facilities, non-profit organizations, local administrations throughout the country. An initial part of the fund was designated for the more urgent interventions in Lombardy, such as the Mutual Rescue Fund established by the Municipality of Milan, San Raffaele hospital and Humanitas Gavazzeni hospital, Bergamo. The commitment of Enel Cuore was then extended to the other Italian regions: from Liguria to Sicily, Emilia-Romagna to Apulia. Grants enabled new intensive care beds to be set up, pre-triage facilities for admitting patients, purchases of medical equipment and personal protection equipment for the doctors and nurses.

Among the main projects was the crowdfunded "5 non-profit organizations" initiative, a collection of internal funds that also involved the senior management and the Boards of Directors, and which concluded with more than 1 million euros pledged, an amount that was then doubled by Enel Cuore. More than 2 million euros destined for five tertiary sector associations for the fulfilment of projects to protect the weaker population groups. The beneficiary associations:

- **Caritas**: support for tackling the health care, social and economic emergency needs of people in extreme poverty, responding to the need for food via the Empori Solidali [cohesive marketplaces], material help for families in economic difficulties, and the distribution services of primary goods (food, home products, hygiene products) to allow rapid resumption of activity for families in difficulty;
- **Fondazione Banco Alimentare** [Food Bank Foundation]: support for guaranteeing supplies of charitable organizations and families by expanding the power of the distribution network of the Foundation's food goods, especially in the central-southern part of the country, by hiring new people, acquiring temporary storage, personal protection equipment, activating ordinary and extraordinary cleaning works and purchasing fuel for the vehicles to transport the food;
- **Comunità di Sant'Egidio** [Sant'Egidio Community]: support to the project "Emergenza sanitaria 2020, Programma Viva gli Anziani" [Health care emergency 2020, elderly program] of the Community of Sant'Egidio, the ACAP non-profit organization has the goal of extending the program already activated in various Italian cities for supporting elderly people, providing home support services and meeting daily needs in order to limit the need to go out (shopping and meals at home, medical prescriptions and medicines, distribution of essential needs, transport/accompaniment service for urgent and unavoidable visits);
- **Federazione Italiana Superamento Handicap** [Italian Federation for Overcoming Handicaps] (FISH): support to the project "Covid-19 Per le persone con disabilità insieme si può!" [Covid-19 For people with disability together we can!] promoted by FISH. The project aims to provide a series of integrated interventions intended for limiting the effects of the emergency due to the pandemic and the consequences, which are even more serious for people with disabilities. In particular, the project has the aim of guaranteeing continuation of medicinal therapies and rehabilitative services, offering personal and family psychological support and continuing daily activities (education, food shopping);
- **Federazione Nazionale degli Ordini delle Professioni Infermieristiche** [National Federation of Nursing Professions] (FNOPI): support for the establishment of the cohesion fund #NoiConGliInfermieri [#WeWithTheNurses] to support all nurses and their families involved in the health care emergency. In particular the funds intended for physical and psychological support for full recovery of nurses who have fallen ill carrying out their work, those forced to quarantine having contracted the virus, families of those who were lost due to the illness.

For more information please refer to www.enelcuore.it.

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 provide everyone with access to economic, reliable, sustainable and modern energy systems. The Energy Progress Report provides the international community with a global dashboard for recording progress toward this sustainable development goal. The 2020 report7 in particular highlights that 789 million people in 2018 did not have access to electricity, a figure which is down compared to the 1.2 billion of 2010.

With a constant and 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. Modern energy services and connectivity represent the keys for changing the quality of life of people, transforming communities into ever more connected spaces. For example, to achieve this goal we shared the Wi-Fi of our electricity power plants located in rural areas with the adjacent communities and we promoted the development of digital incubators for the development of new services. 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, and through projects in developing countries that promote access to energy by a greater number of persons.

This commitment is confirmed in the 2021-2023 Strategic Plan through the definition of specific objectives, including an increase in renewable sources, energy efficiency initiatives, the development of sustainable and circular products and services, engaging local communities through a creating shared value model (please see the section, "Value for territories" in this chapter and the "At a Glance" chapter).

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 related 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 Report on Corporate Governance, 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. In line with Enel's sustainable business model, each Business Line/country promotes specific initiatives for its area of responsibility, such as the development of renewable assets in mature countries and in developing countries (Global Power Generation Business Line), energy efficiency, responsible consumption and offers dedicated to vulnerable segments (Infrastructure and Networks, Enel X, Market-Countries). 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 and on 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.

(7) https://openknowledge.worldbank.org/handle/10986/33822#:~:text=Tracking%20SDG7%3A%20The%20Energy%20Progress,share%20of%20renewable%20energy%2C%20and.

Promoting access to energy in developing countries

We are committed to promoting access to electricity in developing countries via initiatives and projects for improving the living conditions of communities and the availability of energy. A commitment that does not involve only the supply of electricity, but also the possibility of making innovative and clean energy generation technologies available to populations with a reduced environmental impact and at competitive prices. For example, approximately 1,700 MW of renewable generation was commissioned in Latin America in 2020, increasing the total renewable capacity to more than 17,500 MW. In Africa, Enel Green Power is currently the main private operator in the renewable sector in terms of installed capacity (more than 900 MW in operation and almost 900 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 BLP Energy, one of the country's main renewable energy companies, which owns and manages 172 MW of wind capacity, producing approximately 240 GWh a year in Gujarat and Maharashtra. In addition, as part of rural electrification initiatives, in the state of Goiás in Brazil in 2020 connections were made to around 100 isolated communities using off-grid solutions, under a plan that will continue into 2021. In particular, to facilitate the installation of the technical solution identified and for it to correspond with the needs of communities, in-field survey involving around 1,100 potential users was launched to gain a better understanding of the territory and the needs of local communities. The goal was to improve access to energy and at the same time contribute to the development of communities via training projects for the creation of new skills, to expand tourism into the area, promoting social cohesion.

In 2020, in just developing countries, more than 200 energy access projects were developed that reached around 1.1 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.

- **Plan Semilla (Colombia)**: the project offers opportunities for professional growth to young people from vulnerable areas around Codensa, via integral training within the electricity industry, especially in the area of distribution. The endeavor may thus count on the creation of a pool of young people trained on techniques, safety and quality in line with the Group's standards, who we hope we can call on when we and our contractors need them, thereby avoiding unnecessary cost for selection and training. Since its inauguration the project has trained more than 400 young people in a 15-month training course. Plan Semilla has also favored the inclusion of young women within groups for equitable training, in industries such as electricity, typically characterized by a higher male predominance, going from 1% in the first edition of the project to more than 30% now.
- **Fundación Pachacútec (Peru)**: the project promotes technical training and reinforcement of skills in energy by professional courses providing electrical industry technology to young, low-income entrepreneurs. Following three years of training, participants had the opportunity to work as part of the staff of e-distribution contractors in Peru or to start their own local small/medium-sized business.
- **Las Praderas (Peru)**: the project, launched in 2019 as part of the Lima urbanization process, has the primary goal of improving the electrification of the new developments at the periphery of the city. As well as transforming informal users connected illegally to the electricity grid into new, legitimate customers, the project intends to guarantee the safety of people and the grid, improve service quality, reduce losses, promote energy efficiency and create work in the area. Thanks to this initiative, 60% of electricity customers were connected to the grid in the first four months, grid loss-

es were reduced significantly, training seminars for customers were organized on issues such as energy efficiency and electrical safety, two local people were hired as consultants for informing new customers of the new benefits they can access via the portfolio of product and services Enel X offers.

Fighting energy poverty in developed countries

Even if the system for access to energy is guaranteed in developed countries, following the serious global economic crises that affected low-income families in this country in particular, there are consumers who find it difficult to pay their energy costs. Even if governments have the primary responsibility of guaranteeing sustainable, safe and economic access to basic energy services, the electric sector can contribute towards promoting sustainable social-economic development. We have always been committed to collaborating with governments to combat energy poverty and promote access to energy for the vulnerable population of developed countries. Over recent years, we have adopted different forms of support, often through existing government initiatives, in order to reduce the cost of the energy bill for vulnerable customers in developed markets, such as Italy, Spain and Romania (see also the section "Care of vulnerable customers" in the chapter "Electrification, digital and platforms"). Various campaigns and activities were also organized to provide the population living in vulnerable conditions with advice about responsible energy consumption.

Here are some examples of the projects carried out in Spain:

- **voluntary energy program**, intended to help low-income families by providing them with specific advice about responsible energy consumption by distributing energy efficiency kits and, in some cases, introducing improvements to the electrical systems of the most vulnerable families. This initiative is managed by volunteers, who are employed by Endesa, in close collaboration with civil society organizations. In the first half of 2020 the project was suspended following the pandemic and resumed in the second half of the year in digital format. During 2020, 153 families were involved;
- **training for responsible energy consumption and tariff optimization**, currently in online mode, which in 2020 saw the participation of 136 institutions which provided advice to around 22 thousand people who struggle to pay their energy bills. The course received an assessment of 4.5/5;
- **project Confía (Spain)**: agile project for improving management of vulnerable customers via the Blockchain. This pioneering project is an example of open innovation where Endesa, the Municipality of Malaga, the University of Malaga, two software suppliers and Alastria collaborated to improve coordination between the public administrations involved, social services and energy companies. This innovative management system allows social services to be able to identify situations of difficulty in real time involving vulnerable customers, in order to give them immediate support to address the payment of electricity and gas supplies, ensuring that they can benefit from the support prescribed by law. This project unites the Endesa social commitment, technological innovation and the continual quest for process efficiency.

Main projects in progress and resettlement management

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A presence in such a vast geographic perimeter of countries and regions necessarily calls for the evaluation of very different scenarios and radical knowledge of each area and the needs of the various stakeholders in order to identify targeted solutions. Each infrastructure project is discussed therefore, with evaluations by the community and involved stakeholders, which could involve criticism or partial acceptance in some cases, especially when related to resettlement activities. In these latter cases, the Group may be exposed to reputational risks, also in relation to their interaction with local suppliers, as well as operational risks related to delays in executing projects or completing them, with possible repercussions on the supply chain. The involvement of the concerned parties in the processes for the planning and development of the infrastructure

is of fundamental importance, especially if the construction of a new plant involves the resettlement of a part of the resident population in the surrounding areas.

Resettlement management must involve the population and the concerned persons as well as a close evaluation of the psychological and social problems that are possible on an individual and collective level. The approach when selecting potential sites is therefore to minimize as far as possible the need to move the population. This is done by analyzing the economic, political, cultural and social-demographic aspects, including an analysis of the daily life of the communities that live in the area of influence, the distribution of the population, the organizational forms, the employment and remuneration levels. In the cases in which resettlement is confirmed, the project is carried out in compliance with applicable international standards, considering possible impacts on the different forms of physical, human, economic, environmental and cultural capital of the concerned populations. Any resettlement projects will be carried out in compliance with the applicable legislation of the involved country, including the local regulations that specify the conditions for resettlement and the methods for calculating the related economic compensation. Enel's sensitivity to this issue is also addressed in the Group Policy on Human Rights (see chapter "Sound governance") and the processes for interacting with the communities are inspired by a model for shared creation of value. A description is provided below of the most significant cases in progress related to plants constructed in the past but that present residual areas of criticality, the positive and/or negative impacts (actual or 'feared') on the territory and the way in which the concerned Group companies are promoting a proactive dialogue to reach solutions that are as shared as possible..

Bocamina plant (Chile)

The Bocamina II plant is a 350 MW coal-fired thermoelectric power plant whose construction started in 2007 in the municipality of Coronel, Region of Bío Bío, in Chile. The plant is part of the Bocamina coal-fired thermoelectric power station, whose first unit, 128 MW, was built in the 60s and put in operation in the 1970. The second unit was built in an area next to the first, with approximately 1,300 families living nearby. The construction of the second coal-fired generation unit implied the relocation of the families living nearby to the site intended for the plant. The method for relocating families has been completely reviewed since 2017 and aligned with the main applicable international standards, including standard IFC no. 5 "Land Acquisition and Involuntary Resettlement". We started a detailed analysis process in order to identify the suitable actions to implement in order to improve relationships with the local community. This analysis was carried out also with the support of a company with considerable experience in this topic, Environmental Resources Management, and an action plan was prepared based on the results. The new neighborhoods had social, sports and religious infrastructure which were not initially considered for the process, enabling community values to be recovered.

To date, all families involved in the relocation process have been consulted and involved, with more than 1,200 agree-

ments concluded out of a total of 1,370. The remaining families decided not to go along with the relocation and stayed in the original place. The relocation process was formally closed in August 2020.

In a press release on 4 January 2021, we announced that via the subsidiary Enel Generación Chile SA, we disconnected the electricity grid and terminated the group I activity of the coal-fired plant in Bocamina, in the municipality of Coronel in Chile. Group I was disconnected from the electricity grid three years in advance of the date identified in the Chilean National Decarbonization Plan. This goal, linked to the closure of the Tarapacá coal-fired plant, achieved on 31 December 2019, and the last Enel coal plant in Chile, Bocamina group II, scheduled for May 2022, marks progress in the decarbonization of the Enel generation mix in the country.

The process for a true transition started in Coronel by Enel from 2017, allowed us to redesign relationships with the communities and focus on local development, respect and transparency between the parties. During the course of the year, various actions were implemented in favor of the communities, always based on the criteria of accountability, transparency, measurement and equity of solutions, in order to create shared value over the long term. Below are some examples:

- identification of structural improvements needed for the homes in the communities of Huertos Familiares and Doña Isidora. In 2018, a technical committee was formed, comprising representatives of the Company, the community and CITEC (Universidad del Bío Bío), which focused on identifying the repairs that were necessary for the homes with construction defects. The works initiated in 2020 for the repair of six prototype houses, at the end of which we will apply it on a larger scale;
- the creation of a dashboard summarising the impacts on the quality of life of families due to construction defects in the homes the communities lived in starting from 2010, as well as the quantification and liquidation of the relative compensation;
- reconstruction or financial compensation for the 12 churches which were not involved in the relocation process;
- agreement for the reconstruction of the historic Rosa Medel school in Coronel. According to the agreements in force with the municipality and with the community, the Enel Generación Chile financing was defined in 2020;
- 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. As well as the completion of a sports center in the community of Huertos Familiares and a social center eco-built by the women of Cerro Obligado, the construction was completed of a "Sense park", which offers an experience in the indigenous greenery and vegetation. From 2020 the works were initiated for further social sites in three neighborhoods of Coronel as part of the plan for the recovery of common spaces for the relocated communities;
- Coronel cleaning plan: the plan 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 and an eco-furnishing training project solely for women was 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. The workshop also has electric vehicles to deliver their products;
- community participatory process, Chile's longest mural was created in Coronel, outside the perimeter wall of the Bocamina power plant. The project involved more than 70 people, from children to grandparents.

Also in 2019, Enel Generación Chile defined a method of participation in special loans with the fishing community for reinforcing traditional fishing. Last year two funds were launched relating to 2019 and 2020, allowing more than 580 small entrepreneurs to access the resources for improving their operations.

Again to reinforce the local entrepreneurial fabric, Enel Generación Chile has since 2016 made available to the small enterprises of Coronel, an annual fund which 150 businesses have been able to access for improving their operations. The latest edition of the fund will be fulfilled in 2021.

In order to promote **relations, dialog and transparency,** the **Casa Abierta Coronel** has been available for some years. It is a place of reference for the entire community, in line with Enel's Open Power vision, where it is possible to speak openly with the Company, receive information, raise any complaints and evaluate solutions with a group

of available experts. The criteria at the basis are transparency, fairness and non-discrimination. Via the development of a system for managing community complaints and/or requests according to the criteria of transparency and equity, it has been possible to resolve almost 600 cases successfully thanks to a multifunctional team which includes legal experts, relocation and sustainability consultants, and that ensures verifiability, transparency and equity of the solutions.

Further information can be found in the Enel Chile and Enel Generación Chile Sustainability Report (www.enel.cl; www.enelgeneracion.cl).

Alto Bío Bío plants (Ralco, Pangue and Palmucho – Chile)

Enel Generación Chile manages three hydroelectric power plants in the area of Alto Bío Bío (Ralco, Pangue and Palmucho), which is an area with the historical presence of the indigenous Pehuenche populations. In numbers, the Pehuenche population in the area of influence of the plants amounts to approximately 3,000 people, comprising 800 families in 10 communities (Pitril, Callaqui, El Avellano, Aukiñ Wallmapu, Quepuca Ralco, Ralco Lepoy, El Barco, Guayalí, Pewen Mapu and Ayin Mapu). In February 2017, an important collaboration agreement was signed with 25 families of the Aukiñ Wallmapu community to start local development projects. The agreement resolves the conflict regarding the impacts generated during the construction of the Ralco plant. On the same issue, in June 2017, Enel Generación Chile also signed two agreements with the El Avellano and Quepuca Ralco communities. In March 2017, Enel Generación Chile officially handed over to the El Barco community its ancestral cemetery, thereby providing a substantive response to the company's commitment to the community following the construction of the plant. In the same context, in 2020, Enel Generación Chile and the local communities marked an important step forward with the project for the Quepuca Ralco school. The construction of the school is part of the company's commitments following the construction of the Ralco plant. The agreed plan celebrates the cultural identity of the Pehuenche communities.

Socio-economic development

Following a request made mainly by the El Avellano community, a community project was created in 2018 for the collection, transformation and sale of hazelnuts. In 2019, the production department was inaugurated, which made it possible for the community to transform its autochthonous hazelnuts into subproducts to supply to the market, thereby expanding sales to other customers. The project is promoted by Enel Generación Chile, together with the University of Concepción, the community of El Avellano, the municipality of Alto Bío Bío and the Pehuén foundation. It made it possible to transform a traditional activity into a micro-entrepreneurial activity for the community, while also preserving the natural hazelnut forest. In consideration of the touristic 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 thousand tourists visit the area every season, representing an important potential for this initiative. The collaboration between Enel and the community was car-

ried out mainly in order to improve the health situation of the area, install new toilet facilities and drains for the treatment of the waste water. A project is being developed in Los Chaicanes to promote potato cultivation. The initiative, which has the primary aim of selling the tuber locally to be eaten fresh, led to the production of seed potatoes and the recognition of the project by the agricultural and zootechnical service (Servicio Agrícola y Ganadero) as one of the 17 producers authorized to sell seed potatoes in the 32 communities of the region of La Araucanía. The establishment of community production cooperative allowed the community to access loans of more than 30,000 euros. During 2020, the cooperative played a fundamental role guaranteeing the food security of the municipality of Lonquimay. In fact the community was able to sell to the town 15,000 kg of potatoes during the health care emergency, which were distributed to families who were most impacted economically by the pandemic. In 2021, medical conditions allowing, a climate-controlled warehouse will be established for the storage of tubers, thereby expanding the storage period and giving opportunity to extend the marketing season. Again in 2021, the opening of a new processing warehouse is anticipated for increasing production capacity.

As concerns the direct support of local families and students, Enel assigns scholarships to finance school fees, the accommodations for young people in the cities where their schools are located and other school materials. This initiative has involved more than 700 students.

Shared and sustainable water management

The Chilean Ministry of Public Works and Enel Generación Chile have signed an agreement, which was subsequently ratified also with the local associations that manage the irrigation channels in the area of Saltos del Laja, in the Bío Bío region. The objective of the agreement is to improve the flexibility of use of the water, ensuring the supply to families and the generation of energy. The initiative is the result of a joint effort with the associations Canalistas del Laja and Canalistas del Canal Zañartu, Dirección de Obras Hidráulicas, Dirección General de Aguas, Enel Generación Chile, 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, a specific communication system was defined between the power plants of Pangue and Ralco of Enel Generación Chile, the Angostura di Colbún power plant, 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).

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 explained 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 the training of local artisans 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 its hydroelectric operation for the benefit of local tourism.

In 2020, a new phase of the program was initiated and which envisages the integration of the "Community of water" in technological training programs. Water users were organized within the territory in Chile for correct distribution of this precious resource among the different users with rights. To identify initiatives for water preservation in the hydroelectric basins shared with the agricultural sector, in the region of Maule, a "Hydroenergy by design" study was carried out to identify conservation strategies jointly with the local stakeholders for the hydrogeological ecosystem. This program, shared with the territory, will lead to territorial environmental planning according to collective participation.

El Quimbo 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 South America. The power plant has an installed power of 400 MW and is located in the region of Huila, south-west of Bogotá. The project was authorized in March 2008 and obtained the environmental license in May 2009 and, in November 2010, construction began. The project consists of a 55 kilometer long reservoir, making one of the largest reservoirs in the nation, and its dam it is 151 meters high. The Quimbo Project has foreseen important investments for infrastructure, the environment and surrounding communities. From the beginning of construction, Enel has expressed its full availability for dialogue with regional and national stakeholders and has developed a specific socio-environmental management plan. With a shared and participatory approach, starting from December 2014, a multi-year plan of social-environmental projects was defined to benefit the local population, and in particular families living in or owning property in the area of project influence, as well as those who work or have business activities and services in this area. The families that were surveyed and who meet the requirements were given the possibility to decide between relocation (collective/individual) and selling their land. Of the 152 families who decided for relocation, 40 selected individual relocation, receiving land for their productive and residential project. The remaining 112 families opted for relocation in the collective settlements (Montea, Santiago y Palacio, Llano de la Virgen, San José de Belén), with new homes provided with essential services and inserted within an urban context with schools, churches, multi-purpose sports facilities, a football pitch, green areas, a waste recycling center 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). To date, 15 families living in one of the four collective relocated settlements, called Santiago-Palacio already have the deeds to their plots, buildings and common areas of the residential center and are self-sufficient.

Socio-economic development

During 2020, more than 350 visits were made to the owners of agricultural production projects. In 95% of cases the production system was monitored and supported, while in the remaining 5% processes were reinforced via technological transfer and legal/administrative support.

In addition, following the spread of Covid-19, the company contributed to tackling the food emergency, providing food in the six municipalities of the area affected directly, and the health care area, providing more than 500 personal protective equipment kits to the medical staff in 12 centers in 10 municipalities of the region of Huila (a total of 750 people).

The projects continued to address the needs of the community with a view to the creation of shared value, and new ones were launched with important entities and associations. In particular:

- 89 production projects were consolidated associated with the cultivation of cacao, passion fruit, pineapple, coffee and animals;
- the grant intended for the realization of various production projects and for promoting economic growth in the directly influenced areas was paid out entirely. In El Agrado (317 benefiting families) and Garzón (13,832 benefiting families) the actions related to the improvement of water/sanitary conditions in the town center and the road infrastructure, while in Gigante (2,559 benefiting families) projects were aimed at agricultural production and the improvement of road and sports infrastructure in the rural areas of the municipality;
- the cooperation agreement signed with Casa Luker, the

United States Agency for International Development – USAID, the EAFIT University and Saldarriaga Concha Foundation continued in the six municipalities covered in 2019 (El Agrado, Garzón, Gigante, El Pital, Campoalegre, Rivera) and was extended to the municipalities of Algeciras and Hobo;

- in April 2020, cacao was planted over an area of 132 ha, with the involvement of 100 farming families. 266 people participated in the "Soy Cacaocultor" training and 162 families were included in the planting and rehabilitation programs. These producers will plant an area of 120 ha and will rehabilitate another 200. Lastly, with the support of the EAFIT University, the analysis of skills was completed in eight associations of cacao producers in Huila: Asopeca, Asoprocar, Asocacao El Pital, Asocagigante, Ambicar, La Cacaotera, Asoproagrado and Asocapotrerillos.

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. In particular, in 2020 the following was carried out:

- **10 dedicated training sessions for the relocated families**, with the topics being the three pillars for generating efficiency in production projects: rational use and management of water for consumption and irrigation, production, agrifood marketing and technology, marketing and production administration and organization of producers;
- **more than 320 actions for promoting environmental awareness** in the regions concerned, including training courses in the electricity industry and consulting local interest groups for making them independent in the management and conception of projects;
- **7 actions dedicated to sustainable tourism** which saw the participation of public and private institutions and organizations belonging to the areas directly influenced. One of the initiatives launched the first webinar on tourism, held by the University of Medellín: "Sustainable tourism in times of pandemic: An opportunity for change", which made possible to make tourism operators aware of the impact that this activity has on ecosystems and on the importance of issues such as preservation of biodiversity, circular economy and climate change. Taking part in the initiative were 58 people from the departments of Huila, Caldas, Caquetá, Cundinamarca and Antioquia.

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.). In the Garzón and Gigante offices, around 580 people were assisted following requests and petitions. 96% of people were satisfied with the assistance they received.

Additional initiatives and information about the projects are available in the Emgesa Sustainability Report 2020 (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).

Restoration of the tropical forest (Colombia, Quimbo hydroelectric plant)

Since 2014, Enel-Emgesa has developed the largest ecological restoration project of the dry tropical forest in Colombia over an area of **11,079** ha as an environmental compensation measure of the construction of the El Quimbo plant in the region of Huila. During the initial pilot phase (2014-2018), the best strategies and the native species subject to restoration were defined for an area of 140 ha. The primary results were the propagation of around 215 thousand plants of 62 indigenous species, the construction of 21,840 m of fencing for controlling the animals from neighboring farms, the building of a research center and the discovery of a new unique plant species called ***Pitcairnia huilensis***. A protected area of 918 ha called Cerro Matambo was declared within the restoration area, to help preserve the biodiversity of the region. During the second phase, launched in 2018, a goal was set of 500 ha to be in active restoration by 2021, of which 240 ha had already been restored in 2020. This will involve the conservation and maintenance of 478 thousand plants of at least 40 different species. The project will continue in the subsequent years until completion of the goal of total restoration.

Other development projects

850 MW EGP-Nareva consortium wind power program

In March 2016, a consortium of Enel Green Power and the Moroccan company Nareva, in partnership with the supplier Siemens Gamesa Renewable Energy, was awarded the project for the development, construction and management of five wind plants in the communes of Midelt, Tanger, Jbel Lahdid, Boujdour and Tiskrad with a total installed capacity of 850 MW. Their construction will require a total investment of approximately 1 billion euros.

The investment will provide renewable energy, supporting social, economic and environmental development in the various areas involved, increasing access to electricity and reducing dependence on fossil energy sources. The investment also complies with the principles adopted by the international community concerning environmental protection, human rights and the reduction of emissions from coal, and does not involve any kind of extraction.

In preparing the proposal, the consortium carried out a preliminary analysis of the social, economic and environmental context (SEECA) with the help of external specialists in the areas in which the plants are to be built. The SEECA identified the relevant socio-economic problems and the specific needs of the local communities that include, among others: development of infrastructure, development of education, health care, development of social services, poverty and protection of cultural heritage.

Furthermore, an Environmental Social Impact Assessment was carried out in compliance with the standards of the International Finance Corporation and with international guidelines, for investments in the Midelt and Boujdour sites. It is being carried out for the Jbel Lahdid site and will be developed for Tiskrad. Various consultation processes were carried out with the stakeholders in Midelt, Boujdour and Jbel Lahdid. For all sites, a second SEECA and consultation is performed.

From the analyses performed we can determine the impacts and benefits for each site, from which the Sustainability Plans can be defined. The sustainability actions and projects are realized during all phases of the renewable project, starting from the construction and continuing into the operation. Specifically, during the construction phase, the consortium is carrying out sustainability actions within the "sustainable construction site" model, based on practices and solutions that maximize the social, economic and environmental benefits for the territory and surrounding communities. This model is a standard Enel practice adopted in all sites around the world.

For the **Midelt** plant, the financial close was on November 5, 2018, and the construction phase started in December 2018 and ended in November 2020. The application of the sustainable construction site model on this plant generated positive impacts for local communities in terms of employment, training and skills transfer: 300 workers, selected from local communities, were trained and employed by contractors and active local SMEs, for example in the transport, hotel, restaurant and cleaning sectors.

The minimal environmental impacts were measured and therefore mitigated by adopting virtuous solutions and actions regarding emissions, water consumption and waste. The main solutions that were implemented are indicated below:

- **CO_2 emissions**: photovoltaic mini-grid to power the base camp and auxiliary services; generation of photovoltaic energy integrated with batteries used to power the turbine erection phase, autonomous photovoltaic modules to power prefabricated buildings/containers at the base camp; street lights powered by photovoltaic plants;
- **water use, incentivizing recycling**: adoption of collection, treatment, storage and reuse systems for rainwater, for example for the production of cement and for controlling dust; reactivation of the well to benefit the community with the installation of a pumping system powered by the photovoltaic plant;
- **use of materials and promoting recycling**: reuse of all excavated materials for improving road and slopes conditions, and for creating new access and transit roads to the benefit the community; recycling of wood pallets used to create signage within the site.

The consultation of the SEECA for the Midelt site led to the definition of specific sustainability projects subject to development during the plant operation phase. A plan is also being finalized for the application of the Sustainable Plant Model, intended to maximize social, environmental and economic benefits for the territory and surrounding communities during the operation phase, similar to that achieved during the construction phase with the sustainable construction site.

The adoption of a sustainable construction site model is also in progress for the Boujdour site with practices similar to those previously described. Specific actions have been also launched during the construction phase intended to maximize the benefits for the surrounding communities in terms of employment, creation of skills and use of local SMEs, which will also continue during the plant operation phase.

In addition, during 2020, a due diligence of human rights was performed for the Boujdour site based on the principle UN guidelines for businesses and human rights, with

the support of a renowned independent non-profit organization with broad experience in this field.
The result of this activity was the drafting of an action plan for interventions beyond the initiatives above mentioned, some of which had already been realized, for:

- guaranteeing anonymous access to grievance channels by employees and the community;
- avoiding discrimination in employment and promoting the use of Saharawi staff, including by means of specific training programs;
- launching *ad hoc* projects/infrastructure for the needs of the people who live in remote villages or for small local businesses.

The results of the due diligence were also considered for a new SEECA and for defining the process for consulting representatives of the Saharawi population, carried out independently by primary company with proven experience in the area of sustainability. The consultation included vulnerable groups, all ethnic Saharawis, and was conducted in Hassaniyya Arabic, the Saharawi language, thanks to the inclusion of an expert on this ethnic group in the team. 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 consultation lead to a 'social license' to operate in light of the general acceptance of the renewal project by the Saharawi stakeholders, who highlighted numerous opportunities deriving from it in terms of employment and local economic development, evaluating the project in line with the advocacy activity they carried out for their people's right to development, work and access to energy. Some young people expressed the fear that the absence of local skills in the area of renewables would form an obstacle to their employment in the project. Therefore the Sustainability Plan specific to Boujdour promotes the inclusion within the project's value chain of the communities and small local businesses during the plant operation phase with a particular focus on ethnic Saharawis, training and construction for local skills, intervention in favor of the more vulnerable herding communities, and support for local cooperatives.

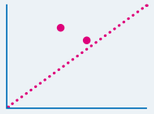
Windpeshi project – Colombia, La Guajira

The Enel Group wishes to drive the energy revolution in Colombia, also promoting the development of new operating dynamics, such as the introduction of energy offers, the creation of new opportunities for diversification of the existing energy mix and increase of market competition. This will generate a benefit in the optimization of the use of energy resources which contribute to the efficiency of the energy system in Colombia, a country which recently initiated the construction of new renewable energy projects. Via the Group's experience and know-how developed throughout the world, Enel Green Power is primed to offer Colombia a strong impulse for diversification of the energy generation mix, promoting and sustaining the development of renewable energy sources, i.e. wind and solar, and continuing to pay attention to future opportunities in the Colombian electricity sector.
In 2019 five Enel Green Power projects were awarded around 740 GWh/year in the Cargo por Confiabilidad tender. The winning projects, three of which were wind and two solar, will supply the country's energy systems.
Windpeshi, Tumawind and Chemesky are the wind farms 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, the Group launched the construction both of the wind farm 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 Windpeshi public water system was established, a sustainable system for promoting water access for rural communities around the region The project will benefit 3 thousand Wayuu indigenous people and will allow them to obtain water, draw it and make it drinkable, store and distribute it, improving the population's quality of life. This project was financed by the "obras por impuestos" mechanism and falls within the Colombian Ministry of Housing's "Guajira azul" program. A second water system, Amalipa will benefit the communities in the area of influence of the transmission line. Lastly, to allow the use of water for other purposes, via the agreement signed between Enel Green Power, the Ministry of Housing, as part of the "Guajira Azul" program, Foundation ACDI/VOCA, the Colombian army and the municipal administrations of Uribia and Maicao, the construction and restoration of the wells are proceeding, which will facilitate access to water sources in the La Guajira Department;
- **access to education**, an agreement was signed with SENA (National Training Service) for launching employment training and sustainable entrepreneurship processes in the communities affected by the projects, as well as non-qualified specialization in the project activities. During 2020, 65 people were trained on topics relating to construction.

An agreement was also reached with the University of La Guajira for the drafting of an intercultural manual, which will represent an essential instrument for interaction in the various projects in the Wayuu territory, including the dynamics and specifics of the ethnic communities.
Lastly, via an agreement with Artesanías de Colombia, traditional processing of Wayuu fabrics is being promoted in the area affected by the Windpeshi wind farm.

Priorities



- F Economic and financial value creation
- N Innovation and digital transformation

Plan

Growth accelerators

SDG

Target

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
• 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)	Launch of **200** Proof of Concept to test innovative solutions in the period 2020-2022	**111** projects launched	**ON-PLAN**	Launch of **350** Proof of Concept to test innovative solutions in the period 2021-2023	I S G T	9 17
	Scale-up of **30** solutions to accelerate the implementation of the Strategic Plan in the period 2020-2022	**32** solutions adopted in the business	**ON-PLAN**	Scale-up of **100** solutions to accelerate the implementation of the Strategic Plan in the period 2021-2023	I S G T	9 17
	75 bootcamps to identify startups with which to collaborate	**45** bootcamps	**ON-PLAN**	Target outdated as a result of the digitization of activities	I S G T	9 17

I Industrial E Environmental S Social G Governance T Technological

Goals

New Redefined Outdated

ReShape: Innovability® to build a better future

The ability to anticipate and adapt to change has become a crucial part of business. The global scenario of Covid-19 has forced companies to stop and think about their internal and external processes and about their way of innovating.
In our capacity as sector leader, and keeping in mind our sustainability objectives, we have launched a global call to reinvent the manner in which our activities are managed in what will be the new normality.
ReShape is a global call for the energy transition, to conceive, along with problem solvers, start-ups and small and medium-sized enterprises new ways to transform innovation into solutions for the world energy context of the future and for new global needs. The term chosen, ReShape, refers to the ability of the organization to change and reinvent itself constantly, both inside and outside, and reflects our global commitment to Open Innovability®.
The challenges launched with our call cover all our Business Lines: from energy generation to the creation of new added value products and services, from robotics to artificial intelligence, from virtual reality to automation, from construction of renewable plants up to technologies and algorithms to understand better the needs of customers and thus rationalize the entire customer journey in the digital era. Some examples:

- Applying automation to renewable plant construction
- Ensuring rapid sanitization in field operations and external spaces
- Providing remote site visits for Enel X's industrial & residential customers
- Fostering Enel customers' digital experience
- Improving Enel's end-user profiling
- Digitalizing scalable recovery plans for local markets
- Developing connectivity & digitalization to overcome social inequality
- Increasing automation of O&M in renewable power plants
- Increasing employees' safety and ensuring correct distancing and traceability

2,600

START-UPS

with which Enel came into contact despite the pandemic

70

NEW COLLABORATIONS

with start-ups around the world

53

INNOVATION AND SUSTAINABILITY CHALLENGES LAUNCHED

INNOVATION

DMA EU (former EU8)

Technologies and Innovability®

"Sustainability is our goal and innovation is our tool to achieve it". We innovate in order to create the conditions to be more sustainable. These two concepts that go hand in hand, and which merge in the word Innovability®, defined for the first time by us and which demonstrates the degree to which one deeply permeates the other.

An "Open" approach that promotes the richness of innovation by involving internal and external entities and that makes us ready to reassess several traditional business models with a view to creating new ones.

We want to innovate to safeguard the environment, but also to create conditions of equality and inclusion for those who otherwise would have fewer possibilities, including from a work related perspective. A practical example: in our Company we have a deaf person, who feared that he/she would not have the same opportunities for growth since he/she could not use video conference systems without lip reading. We therefore found a start-up with which we put together a service that has allowed all of our deaf people to take part actively in video conferences in a perfectly integrated way. The step from social to economic sustainability was, at the end of the day, brief: having facilitated the inclusion of people into the Company, we moved on to customers, which meant doing something socially useful, but which was also a business choice. It is enough to think how many millions of deaf or partially deaf customers can benefit from this service and how many can be made loyal to the Company, thus making us even more competitive and sustainable.

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 Strategic Plan. The Company further dedicates a part of innovation to exploration activities which can open significant new fronts of innovation in the near future. Currently, we are defining a three-year innovation plan, shared with top management and submitted for approval to the Group Innovation Committee, chaired by the Chief Executive Officer. The Holding Innovability® Function (Innovation and Sustainability), reporting directly to the CEO, in collaboration with the various Functions and Business Lines in all countries where the Group operates, manages innovation activities, in conformity with regulations currently in force and with our own compliance programs. Furthermore, dedicated facilities at Business Line level have been set up to facilitate the development and dissemination of innovative solutions.

In order to promote innovative solutions, we have created new instruments, such as openinnovability.com, a crowdsourcing platform for gathering the best solutions, the Innovation Academy and the Idea Factory to leverage the interaction and development of creativity and entrepreneurship within the Company. In addition, a global network of Innovation Hubs and Labs is present in order to make contact with start-ups and other stakeholders present in the innovation ecosystems around the world.

> Sustainability is our goal and innovation is our tool to achieve it.

Ernesto Ciorra

Innovation and Sustainability

Why is it important for our stakeholders?

We must change in harmony with the world around us, with the people that live in it, with the society to which we contribute, and with the environment in which we live. Only in this way can we really create sustainable progress.

Why is it important for Enel?

In order to survive, living beings renew their cells continuously. A culture of widespread Innovability means that the whole Company aims to renew itself constantly, thereby ensuring its survival.

The Open Innovability® ecosystem

The way to win challenges and lead change is to search constantly for innovations that can promote sustainable development, start-ups, independent innovators, potential partner companies, universities and research centers, associations and ONGs.

We are open to innovative ideas in a very dynamic way: stimuli and influences can arrive from outside and inside the Company. It is important that there are the right ecosystems in which information can circulate and give life to sustainable and scalable business projects and models.

Our platform for gathering innovative solutions: openinnovability.com

Our crowdsourcing platform, **openinnovability.com**, has hosted **over 145 challenges** in total, reached 500,000 solvers, gathered thousands of solutions originating in over 100 countries worldwide, assigned economic awards and entered into collaboration agreements with Italian and international companies, start-ups, researchers and single individuals.

Specifically, in 2020 53 innovation and sustainability challenges were launched, of which 15 cross-posted on partner platforms, 28 dedicated exclusively to people within the Company and 10 targeted externally. Seventeen challenges concerning the health emergency linked to the Covid-19 pandemic were also launched. In particular, while the world has begun to define a new normality, we have launched the global challenge ReShape, with the aim of identifying innovative solutions for the future of energy and to face emerging needs. Of the more than 300 innovative proposals received, around half are from ecosystems that are under the responsibility of the Innovation Hub (for more detailed information see page 145).

The challenges launched by Enel have also been disseminated on other platforms (for example, innovitalia.esteri.it of the Italian Ministry of Foreign Affairs and International Co-operation) and specialist channels (Focus.it, Wired.co.uk and Rinnovabili.it). At the same time, our crowdsourcing platform is open to the publication of challenges from external companies that are seeking innovative and sustainable solutions to unresolved problems. In 2020, 6 challenges for external companies such as the ESA (European Space Agency), Marzotto Venture Accelerator and Extreme-e were published and/or managed.

Together let us create a better future: our partnership agreements

As of today, **64 innovation partnership agreements with companies of different sizes and markets** are active. Of these, 8 are of Group relevance with the involvement of various Business Lines in different thematic areas.
During the last year, agreements have been renewed with Cisco Systems and Intesa Sanpaolo, the former focused on the development of products and services to support the achievement of IoT platforms and cyber security functionalities, and the latter with the aim of facilitating, on the one hand, access to credit for start-ups and small and medium-sized companies of the energy ecosystem and, on the other, the development of digital innovation.
Collaborations related to the circular economy have also been developed, in particular with Novamont for the recycling of plastics and the use of biodegradable oils, and with the US multinational 3M for the use of new materials and sensor technology for the health and safety of our people, predictive maintenance, and efficiency of the distribution grids and generation plants.
We are also pursuing collaboration in the sector of the space economy, cooperating with several market leaders among which Thales Alenia Space, a reference point for the realization of space technology and a partner for the achievement of innovative space services, especially satellite technology. Together with the ESA, we are further promoting the development of space sector applications to support the security of the distribution grid, economic and environmental sustainability and circular cities.

The network of ideas with start-ups, and not only: Our Innovation Hubs and Labs

The Innovation Hubs and Labs help the Group to consolidate the new collaboration model with start-ups and SMEs, which sees the latter propose innovative solutions and new business models, whereas we make available our expertise, facilities for testing, and a global network of partners to support their fine-tuning and scale-up.
We rely on a global network of:

- **10 Innovation Hubs** (of which 3 are also Labs): located in the most significant innovation ecosystems for the Group (Catania, Pisa, Milan, Silicon Valley, Boston, Rio de Janeiro, Madrid, Moscow, Santiago de Chile, Tel Aviv), they handle relations with all players involved in innovation activities and constitute the main source of scouting for innovative start-ups and SMEs;
- **22 Innovation Labs** (of which 3 dedicated to start-ups): these allow start-ups to develop and test their own solutions together with our people from the various Business Lines. Milan, Pisa, Catania, São Paulo, Haifa and Be'er Sheva are among the most representative.

For further details visit the site: https://startup.enel.com.
Despite the pandemic, in 2020 we met more than 2,600 start-ups, launched more than 70 new collaborations and organized more than 40 bootcamps dedicated to different technological areas; furthermore, two new geographical Countries and Regions (Canada and Australia) were opened for the scouting of start-ups. Enel X and Mastercard won a tender from the Israeli government for the creation of an innovation laboratory which aims to stimulate the development of fintech and cyber security start-ups in Israel (FinSec Lab in Be'er Sheva). The Innovation Lab will be capable of simulating systems, processes and financial data to supply an environment in which the start-ups can develop, test and display their products.

Some examples of innovative solutions

Important objectives were achieved during 2020 with regard to innovations which included **generation and distribution of energy**, aimed at accelerating sustainable growth towards the energy transition, through the study and adoption of innovative technologies and solutions for increasing sustainability and efficiency, as well as supporting safety on worksites and the operation and maintenance of assets. Through innovation we have demonstrated our resilience by remodeling approaches and processes, beginning with automation, remote control systems and technologies to support security, virtual visits, remote maintenance tools, solutions for and surveys of augmented and mixed realities, on worksites and in power plants, as well as artificial intelligence, and finishing with remote operations and experimental activities. The new approach adopted has involved not only us, but the entire network of partners, facilitating the remodeling of the innovation journey and supporting the entire ecosystem.
Pontecosi: a big project in a small lake. In Tuscany, Enel Green Power is testing an innovative system for the management of the sediments that accumulate in the basin of an artificial lake. It is a project that could help the entire hydroelectric industry in as much as, besides reducing operating and maintenance costs, the solution is capable of restoring natural river transport, thereby contrasting phenomena of coastal erosion.
Innovative solutions for detecting ice on the blades of wind turbines. An experimental campaign on an innovative system for automatically detecting the presence of ice on turbines, using optical fiber, has been successfully completed on a wind farm in Greece. The initial results show great potential for improving the safety of operators and reducing production losses.
Solutions of artificial intelligence for a computerized vision to support wind turbine maintenance. The artificial intelligence solution has shown the efficiency on 45 wind turbines of solutions for recognizing images which facilitate the automatic detection of faults. The solution is completely integrated into our image acquisition approach and leads to a 60% reduction in inspection and data analysis times compared to the current method.
Smart meters. We can be considered among the world leaders in smart meter technologies, also known as Open Meters, for which we are putting into effect our third generation, in which our cutting edge technologies enable functionalities that go beyond the traditional concept of simple measuring. It is a customer centric approach that exploits a dedicated channel of communication (Chain 2) through Power Line Communication, offering customers the chance to receive real time data on energy consumption, but also to optimize grid operations (using predictive maintenance, load balancing and protection of revenues) in terms of quality and efficiency.
Robotics. Four legs to be able to move over different types of terrain and environments, the ability to customize in order to carry various types of mission, two hours of autonomy and, above all, the capacity to take on board and learn from the variety of activities that it carries out. We are talking about ANYmal, produced by ANYbotics, the Swiss start-up identified during a bootcamp organized by the Madrid Innovation Hub. It will be capable of carrying out missions both in autonomous mode and by giving added value to the people of Global Power Generation Enel, providing support and help. ANYmal combines the locomotion capacity of an animal's body with the use of algorithms of artificial intelligence, which allow it to analyze the surrounding environment - internal or external - and to take reasoned decisions.
ANYmal underwent successful experiments in Italy at the combined cycle thermal power plant in Porto Corsini (Ravenna). It is a significant innovation at the service of the human component: the robot can help our people to carry out autonomous inspections, generating added value and intervening in environments that are difficult to reach or potentially risky.
Electric mobility: Enel X JuiceBox Pro and JuiceBox Pro Cellular. This is the latest line of domestic charging stations, which unites sustainability and innovation and presents a case realized in recycled plastic and a design which aims at reuse and recycling. In 2021, in Europe alone, 30,000 new Boxes will be produced, using 62 tons of waste plastic. The results in terms of performance are comparable to those obtained using virgin plastic (see also the chapter "Circular economy").
In May 2020, the World Economic Forum recognized our **Network Digital Twin®** as an extraordinary innovation born within the energy sector to enhance systemic efficiency. This program is a digital platform that creates a virtual replica of the infrastructure of physical power supply, of its components and of system dynamics. It is based on the use of new technologies such as 3D modeling for the examination of grid components, sensors for monitoring the infrastructure together with artificial intelligence and augmented and virtual reality, with a view to improving operations in the field and management of data in real time. These combined applications support the functioning of the system, grid design, integration of distributed energy resources and management of the workforce.
Further innovative solutions are dealt with in the various chapters of the present document.

Making innovation on cutting edge technologies: the Innovation Communities

We have created the Innovation Communities, open communities, without hierarchies, made up of our people who are passionate about technology (and not only), who desire to share ideas and projects and to participate firsthand in the innovation process. They are groups of people open to other views and to the exchange of experiences, ready to accept new ideas and opportunities, and who share a basic project: to make the world a better place using sustainable innovations. The communities are dedicated to a crucial innovation topic, from artificial intel-

ligence to robotics, from drones to the Blockchain, and are a point of reference for different technologies.

- **Blockchain**: the Blockchain 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. We have sought and promoted collaboration with different players, because the success of any project in this sector depends on the ability of participants to activate a network effect from which everyone can benefit. The Group has worked on various use cases (for example, the traceability of assets, trading, the management of energy poverty, and so on). The Community works on verifying the value of the new proposals, evaluating projects and diffusing their use, and, in particular, in 2020 it contributed to producing the consultation document for the national strategy published by the Italian Ministry of Economic Development.
- **Drones**: since 2012 we have made ample use of this technology in all countries, in generation plants, and in Business Lines linked to electricity distribution, and we have become an important stakeholder in the sector. The objectives of drone use are multiple: increase the efficiency and efficacy of operations and maintenance processes, but above all reduce exposure to risk for workers involved in interventions on our plants. The main uses concern, therefore, thermal imaging and the inspection of geothermal, hydro, solar and wind plants, the detection of abnormalities, 3D modeling, photogrammetry and laser scanning. Several new devices are in test phase, such as drones capable of transporting heavy loads or hydrogen powered drones capable of covering long distances. We can currently count on over 200 drones and 450 pilots worldwide. For many years in Italy we have been doing tests and gathering evidence in collaboration with regulation bodies such as ENAC (Ente Nazionale per l'Aviazione Civile - Italian Civil Aviation Authority and ENAV (Ente Nazionale di Assistenza al Volo - National Agency for Flight Assistance). In 2020, the Community dedicated to drones also promoted in-house training activities, for example regarding European regulations in this area.
- **Energy storage**: accumulation systems open new frontiers in the field of sustainability. Thanks to these systems it is possible to improve the level of reliability and to increase distribution quality indicators. In combination with the traditional generation methods, storage also ensures balancing of the grid and stability of system loads at national level. Beyond traditional lithium batteries, the Group is seeking new accumulation systems, such as solid state batteries, vanadium flow batteries, gravity batteries and other alternative technologies for long-term storage applications.
- **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. At the moment, tests are under way to evaluate the effective application of specific tools of augmented reality and their integration into personal protective equipment. Into the main use cases fall remote assistance and inspections, digital twins for plants and grids, hands-free operations and the resolution of problems. In 2020 a shared database was created to gather all available virtual scenarios to be utilized for the training of people.
- **Wearables**: the main applications of wearables concern safety. These include sensors to check correct use of personal protective equipment, tools to track personnel on job sites and avoid interference, or devices to help people carry out their work in hands-free mode, without having to interact with potential sources of distraction such as smartphones or printed manuals. Wearable devices embrace a very vast range of products, among which smart glass and smart watches, as well as localization devices.
- **Robotics**: this technology offers the possibility of supporting people in high risk and remote places or who do demanding or repetitive work. The main applications concern the construction and automated maintenance of photovoltaic fields or other inspection and maintenance activities in areas that can contain risks for personnel. We are testing legged robots for specific and autonomous inspections, Remotely Operated Vehicles for underwater inspections of cables and Operation & Maintenance of hydroelectric reservoirs, photovoltaic plants and wind turbines. The new frontiers in the use of robotics include autonomous construction with diverse possible applications in the generation field.
- **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. Our Business Lines make ample use of such technologies applied to analysis of images concerning 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.
- **Additive manufacturing/3D printing**: this is a computerized production process used to create a product beginning from a digital model, and is considered the technology of the future for generating, improving and repairing a product, above all because it facilitates the reduction of production or repair times, thus ensuring greater reliability. In particular, this process concerns the fabrication of mechanical components for the repairing of important elements subject to wear and tear (turbine blades, burner parts) and for redesigning and creating innovative components with complex geometries and special materials. As of today, the biggest challenge that this technology must overcome concerns above all the definition of a quality system for finished products. This means defining modalities of production and precise parameters based above all on the behavior of the materials, which inevitably changes compared to traditional techniques of production.
- **Green hydrogen**: through this Community, we have defined a new business unit dedicated to developing projects linked to the production of green hydrogen through electrolysis, powered by renewable sources. Once the potential of direct electrification has been exploited to the full, this technology could facilitate the reduction of emissions in those sectors in which the latter are more difficult to abate.

In 2020 three new Communities were also launched: Materials, Computer Generative Design and Sensors. These themes will be studied and analyzed in-depth during 2021, to facilitate synergies and promote the application of new use cases in Group activities.

Global Power Generation RoBoost Program

An innovative flagship program, launched in 2018 to promote the diffusion of robotized ready-to-market technologies for O&M activities along the entire value chain to facilitate the allocation of people to value added activities[1], with economic savings included.

The main technologies that are the subject matter of the program, active in 14 countries, are thermographies with drones and AI, wind turbine inspections with drones and AI, robotized bathymetries, underwater inspections with ROVs, remote assistance on smartphones, smart glass and augmented reality, inspections with drones on thermal, hydro and geothermal plants. The main results in 2020 are as follows:

- a global index of robotization[2] of about **52%**, with an increase of **182%** of robotizable activities in 2020. The index shows an increase of 9% compared to 2019[3], following the growth of the perimeter of the plants considered and thanks to the new use cases in the RoBoost catalogue (products developed/new entries from the market);
- robotized activities amount to **6,339**, equivalent to **40%** of generation plants (cumulative figure 2019-2020) ;
- about **14 million solar panels** were inspected with drones and AI, amounting to about 4.5 GW and 12 Gwh of production recovered;
- about **1,000 inspections** overall on thermal, hydro and geothermal plants;
- **over 12,000 added value activities** following the program, of which over 60% involving solar technology. A result of this sort means greater training activities, more safety, more expertise and getting the best out of our people.

At the end of 2021 a rate of robotization of 60% is envisaged, with a growth of robotizable activities of 149%.

(1) All activities in which an allocation of our people or those of suppliers and stakeholders is recognised on greater value activities compared to those executed in the traditional manner (because they are safer, are exposed to lower risks, have more training, are allocated to more digital and less physical objectives, and so on).
(2) Index of robotization = robotized activities/robotizable activities. Robotizable activities are all those activities eligible for application of robotization (for example, manual thermography, where it is now possible to carry out inspections with drones, or bathymetry done by people maneuvering a traditional boat, that is now possible to do with a robotized boat). Robotizable activities have been calculated via a mapping of all cases in which ready-to-market robotized products are present and multiplied by annual frequency. Robotized activities are all those robotized for each use case (for a total of 6,339).
(3) 2019: 1,871 robotized activities out of 4,324 robotizable activities. 2020: 6,339 robotized activities out of 12,203 robotizable activities.

Creating value in the future: intellectual property

Our intellectual heritage is a complex of critical information and is at the base of a sustainable growth. The ecosystem of Open Innovability® generates innovation through the sharing of internal and external solutions that give life to a flow of ideas that demands suitable forms of protection. On the one hand, intellectual property presides over and regulates the sharing of ideas, technologies and knowledge which originate both in the Company and in start-ups, universities, with suppliers, programers and consultants; and, on the other, in so far as it is the authentic expression of the link between knowledge, innovation and progress, it is a tool at the service of strategic objectives of decarboni-

zation, electrification and creation of platforms, as well as the collaborative model based on Stewardship.
During 2020, we renewed and reinforced our commitment to the prosecution of the project targeted at the recognition, identification and measurement of our intellectual property heritage.
Specifically, the Group avails, overall, of 837 patents for inventions, belonging to 137 technology families; of these, 692 are patents awarded and 145 pending. This portfolio ensures protection on all the markets in which the Group is present. Our portfolio also includes 8 utility models and 130 design registrations. As regards trademarks, at the moment it is estimated that the Group owns 1,301, of which 1,133 already awarded and 168 pending approval.
The numerical increase of our whole portfolio of intellectual rights mirrors the growing in-house efforts targeted at reinforcing the information infrastructure required for the immediate identification of the innovation generated, its evaluation and protection, as well as the continuous monitoring of the evolution of the portfolio. All this is with a view to continuous and precise alignment between technological and commercial trajectories and the corresponding forms of oversight of the competitive advantage ensured by intellectual property rights. Progressively, the organization will proceed to the recognition of other intangible assets, first among which are the many and crucial software components, through which the pervasive digital potential of our Business Lines are expressed.

The Group's main patents and designs

In the framework of the Global Infrastructure & Networks Business Line, 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, with a reduction of related CO_2 emissions and operating costs. In particular, two patent families are most significant: that of the method for remote detection of electricity, water and gas consumption, and that of the system for the remote reading and control of electricity consumption. Within the Enel X Business Line, particularly significant are the design and patent to protect JuiceAbility, the device produced in recycled plastic which powers the charging stations for electric wheelchairs, thus increasing the autonomy of customers with disabilities. Also of significance is the design of the JuicePole, an infrastructure for the public recharging of electric vehicles designed for positioning in an urban context, and which was awarded the Compasso d'Oro by ADI (Associazione del Design Industriale). To these rights we can add technologies of load optimization of energy assets and smart charging of recharging stations that take into consideration system requirements, customer behavior, environmental factors, and optimization mechanisms for B2B customer energy systems which, through the management of electricity consumption, help to identify the ideal balance point between economic sustainability and efficiency of the system itself.
Global Power Generation patents aim to:

- increase the production efficiency of plants: in this context particularly significant is the method which, by optimizing the different strata of photovoltaic cells, improves the production efficiency of HJT (Heterojunction Technology) cells and of photovoltaic modules; similarly important is the system for detecting the locking status of a two-valve bucket which contributes to the efficiency and safety of the loading and unloading process of solid materials, among which coal in the context of thermal power plants;
- improve the environmental sustainability of the plants. Representative in the pursuit of this aim are: (i) the patent for the method for monitoring and controlling the chemistry in ZLD (Zero Liquid Discharge) processes within power plants, which serves to abate the quantities of calcium sulfate and calcium carbonate from the combustion fumes of thermal power plants before their emission into the atmosphere; (ii) the patent for the device for measuring the analytical concentration of elements present in the gaseous phase in the fumes from coal-fired thermal power plants; (iii) the patent for the microinjection system and dosage of oxygen for waters discharged from hydroelectric plants which, by facilitating the increase in the level of oxygen, avoids the ecological impact associated with this absence;
- digitalization of operating processes: in this regard, the method for automatic evaluation of the efficiency of a Kaplan type hydraulic turbine is representative, as it optimizes output in all operating conditions.

Innovation begins with you: a new culture

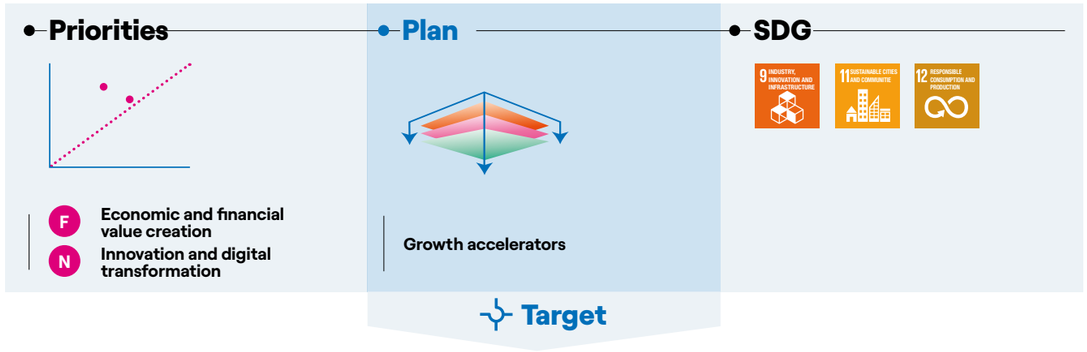
We want innovation to be the daily work of everyone, to promote and diffuse the culture, the knowledge and the behaviors of Open Innovability, disseminate methodologies for leveraging innovation and promote the entrepreneurial spirit. Eight Idea Hubs are present in Argentina, Brazil, Chile, Colombia, Italy, Romania, Spain and Peru, which design and manage global and local programs and supply the tools to facilitate the adoption of innovative instruments, thereby favoring creativity. These Hubs promote an approach that allows people to think and act differently, in a non-linear way, as well as encouraging experimentation and supporting the Company in overcoming challenges (new problems or opportunities) using innovative methods.

The main programs

- **Enel Idea Factory** is a service on demand, launched in 2014, that allows the activation of facilitators capable of guiding a process that seeks solutions to company challenges, breaking paradigms, leveraging lateral thinking, stimulating co-creation and tearing down organizational silos. In 2020 over 250 design solution sessions were held globally involving over 2,160 participants (of which 112 external), generating more than 950 ideas and giving rise to different company initiatives.
- **Innovation Academy:** a training journey, launched in 2017 with the aim of training our people up to creativity, to the development of ideas, to collaboration and to customer centricity and to educate future facilitators of the Enel Idea Factory. The following courses are part of Innovation Academy training: Emotional Intelligence, Creative Problem Solving, Design Thinking, Lean Start-ups. The Academy promotes a "Train the Trainer" approach. Therefore a significant part of the courses are given by in-house teachers whereas other key players have been people from the Idea Hub as well as Innovation Ambassadors.
- **Innovation Ambassadors**: The project was launched as a pilot in 2018, and over the years has become a tool for in-house innovation known and used mostly by Company areas. During 2020 the project was extended to three new Countries: Peru, Spain and Argentina, seeing the participation of over 200 people the world over. The Innovation Ambassadors support the mission to "make sure that innovation becomes part of the daily work of everyone in Enel", covering different roles: they are facilitators of workshops that stimulate lateral thinking, the co-creation of innovative solutions and customer centricity; in-house teachers of Innovation Academy courses; mentors on innovative projects in the development and realization phase and, finally, promoters of events targeted at introducing and encouraging innovation. This Community, based on the voluntary collaboration of participants, further promotes interfunctional collaboration and proactiveness at all levels.
- **MAKE IT HAPPEN!:** This program of Company entrepreneurship aims to make our entrepreneurs emerge by giving them the opportunity to propose and develop new ideas capable of creating value for the Company. In 2020, we received 91 project proposals, which saw the involvement of over 250 people from 11 countries. Three events for the presentation of ideas and projects were held (Pitch Day, during which 7 projects were introduced, 6 of which moved to development phase).

Enel, the universities and the energy of knowledge

A variety of collaborations are active with universities and national and international research centers, with the aim of maintaining a constant, multidisciplinary and focused dialogue on the challenges of the energy transition.
In 2020 we reinforced the partnership with We4U, World Energy 4 Universities, the network of universities coordinated by the Enel Foundation and with which our Group is facing the challenges of the energy transition. The last annual meeting, held in December 2020, had as its title "The power of knowledge for a clean energy future", a theme linked precisely to the global ambition of We4U, which aims to exploit the synergies between the academic and business worlds to ensure a sustainable future for everyone. It is a program, consolidated by over 5 years of activity, which sees among our 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), University of Genoa, LUISS (Free International University of Social Studies) and, most recently, Venice International University and the University of Salerno.



Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Coverage of web applications posted on the internet with advanced cyber security application solutions	**100%**	**100%**	**ACHIEVED**	Target reached and removed	T	9 11
Disseminating the IT security culture and changing people's behaviour in order to reduce risks	**15** cyber security knowledge-sharing events held each year	**16** events delivered	**ON-PLAN**	**15** cyber security knowledge-sharing events held each year	T	9 11
Information security verification activities (Ethical Hacking, Vulnerability Assessment, etc.)	**500** verification activities per year	**1,139** verification activities carried out	**ON-PLAN**	**800** verification activities per year	T	9 11
Execution of cyber exercises[1] involving plants/ industrial sites	⊕	⊕		**36** cyber exercises[2]	S T	9 11

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Activities to reduce CO_2 emissions	**-10 mil** printed pages	**-48 mil** printed pages compared to 2019	**ON-PLAN**	**-13 mil** printed pages in 2023 (vs. 2019)[3]	S T	12
	Extension of the use of videocommunication systems	Intensive use of the "Unified Communications and Collaboration" (UCC) platform[4], with the integration of video communication services; **5 mil** meetings held via video communication services	**ON-PLAN**	Extension of the use of videocommunication systems	S T	12
	Reduction of CO_2 produced for optimization of PCs, laptops and monitors in Italy	Enhancement of mobile accessibility, with a further reduction in idle hours; **18 mil** hours of downtime	**ON-PLAN**	Activities to reduce PC, laptop and monitor downtime	S T	12

I Industrial E Environmental S Social G Governance T Technological

Goals
⊕ New ⟳ Redefined ↻ Outdated

(1) This refers to training services, carried out by a mixture of cyber and business personnel, which is mandatory and necessary to educate internal stakeholders on the correct use of the Enel CERT in terms of engagement, communication, communication confidentiality and cyber incident response services (detection, analysis, response, recovery).
(2) Cumulative value for the three-year reference period.
(3) The 2020 result has been significantly impacted tied to the pandemic. The target has therefore been redefined from 2019, being a year not affected by this situation.
(4) The use of this platform has encouraged a wider use of laptops and devices offering better energy performance.

100
%

COVERAGE OF WEB APPLICATIONS

posted on the internet with advanced cyber security application solution

1,139

INFORMATION SECURITY VERIFICATION ACTIVITIES

DIGITAL SUPPORTS AND CYBER SECURITY

Technology has embarked on a journey that doesn't seem to stop, especially during the period of the pandemic, characterized by bywords and concepts such as cyber security, smart working, data driven, and platformization. Enel faced 2020 with marked resilience which, rather than resulting from of contingent challenges, is the consequence of a path already taken several years ago firstly with the decision to adopt a cloud computing approach, ultimately allowing us to overcome this disruption thanks to our ability to rely on a modern and flexible structure. The Group is committed to protecting its critical infrastructure, disseminating the cyber security culture, virtualizing asset management operating activities, and promoting the use of video communication systems.

The digital transformation

The radical and high-speed energy transition process requires utility companies to evolve and become the **coordinators of a complex system** with multiple actors/owners and different technologies and locations. We will need to take conventional asset-intensive business models, which are typically linear in nature, and add also **circular platform type models**. In this context, digital technology will play a key role because the platform will enable management of this growing level of complexity overseeing a sustainable energy transition within a constantly evolving normative context. Scalability and efficiency will be guaranteed by models of reuse and plug&play techniques enabled by digital technology which, in turn, will bring down marginal costs. Thanks to digital technology, customers – simultaneously consumers and generators of energy – will play an increasingly active role in the ecosystem, acquiring innovative and sustainable energy solutions and services and gaining access to a pool of shared resources.

Since 2015 we have been focusing on simplifying application maps, developing global technologies that can be used horizontally across the entire value chain, shifting from hundreds of technologies to just a handful.

Enel has decided to pick up on this value creation opportunity by setting up two complementary business models: the traditional **"Ownership business model"**, in which the platforms form a powerful business accelerator supporting the profitability of investments, and a "**Stewardship business model"**, in which Enel becomes a business generator, catalyzing the investments of third party suppliers of services and products.

Effectively, Enel is accelerating the launch of digital solutions for platforms throughout the entire organization:

> in electricity generation, our digital platforms support the extension of the portfolio of power plants for the development of the business, engineering and construction, operation, and maintenance, also including resources managed through joint ventures and partnerships;

> in Infrastructure and Networks we are adopting a new operating model to standardize operations and maintenance, management of customers and resource allocation processes by means of a global IT platform. This model will also allow rapid integration of new distribution networks into our ecosystem;

> in retail sales we are focusing on company-wide IT solutions in order to standardize customer operations both for products and for new value added services. We are also expanding the Enel X platform business model, creating innovative products and services for the B2C, B2B, and B2G segments and distributing them on the global level.

The process of integrating digital technologies in services, infrastructures, and in all aspects of the business has resulted in substantial changes in terms of culture, processes, and value creation, following the development of new sustainable business models. Robotics, Artificial Intelligence, cyber security, Big Data, and cloud computing are among the core elements in which Enel is investing.

In 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 guarantees their implementation. The operating models call for an agile working approach to anticipate market demand, with constant attention paid to satisfying internal and external customers, to guarantee innovation and flexibility, and the Company's rapid adaptation and reaction to change.

Digitalization between new opportunities and challenges: support the energy transition and spread a culture of cybersecurity.

Carlo Bozzoli

Global Digital Solutions

Why is it important for our stakeholders?

Digitalization is a key dimension of the transformation of the energy sector. Thanks to the growing digitalization of services and infrastructures, we support the process of energy transition.

Why is it important for Enel?

The cloud, as well as digitalization of services and of the infrastructure, are the pillars of our digital strategy and have confirmed their key role during the pandemic emergency: we have proven that our systems are reliable, robust and secure.

Enel beyond the cloud: more than one thousand sites connected with one of the biggest network virtualization projects in the world

The initiative forms part of Enel's broader strategic BCC program (Beyond Cloud Computing), in which software-defined WAN (technology able to optimize cloud-based access to applications and the use of connectivity) and edge computing solutions are merged to create a telecommunications architecture that helps to pursue operational excellence through intensive digitalization of processes.

In one of the world's largest business telecommunications network virtualization initiatives, this project has speeded up the Group's process of digital transformation. Created and developed in Italy by Enel with Accenture, Cisco and Sirti, the program has led to a reduction in operating costs while significantly increasing agility of corporate infrastructure, connecting more than 1,000 sites in 3 continents and more than 10 countries (Italy, Spain, Argentina, Brazil, Chile, Colombia, Peru, Russia, and several sites in North America).

Enel has therefore greatly reduced its go-to-market times, optimizing management costs through rationalization of systems, and also reduced operating costs, making it possible, for example, to handle maintenance operations remotely. In addition, Enel can upgrade its network with innovative technologies such as the IoT and augmented/virtual reality in order to facilitate control, management and maintenance of its geographically distributed assets. The new infrastructure's capabilities and agility played a key role in overcoming disruptions caused by the Covid-19 pandemic, when Enel was very quick to implement smart working for more than 37 thousand people, allowing them to access the Company's applications and work in safety.

Four key platforms that make routine activities more sustainable

Cloud computing

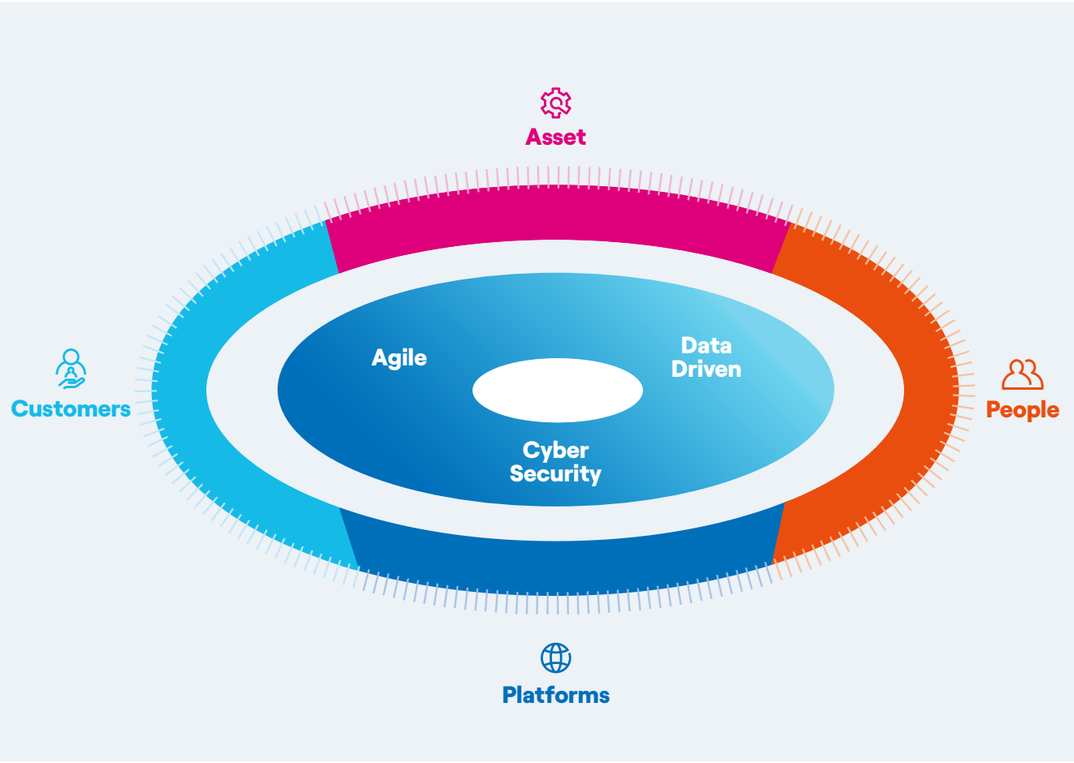
For Enel, cloud infrastructure is a fundamental strategic enabler that has allowed the use of IT resources in terms of infrastructure and applications whenever required, since fully exploiting the access possibilities provided by the network makes it possible to reduce waste deriving from consumption linked to unused resources. The cloud used by Enel requires approximately 16% less energy on average than conventional on-premise infrastructure, allowing an average reduction of CO_2 emissions of around 88%.

Unified Communications and Collaboration

The Unified Communications and Collaboration (UCC) Platform integrates communication services in real time such as instant messaging (chats), IP telephony, and video communication with different media, such as voicemail, email, text messaging and fax, fully exploiting the sharing model that uses the Internet to allow sharing and use of contents from a PC, smartphone or tablet. This reduces the need for travel and hence CO_2 emissions.

Data sharing and e-API

The e-API digital ecosystem (Enel Application Programming Interface) is the digital environment through which all companies in the Enel Group can quickly and automatically share information that would normally be limited to specific vertical applications (information silos). The ecosystem is supported by an API, thanks to which the Company's systems can exchange information flows in real time by means of interfaces and data tracks, making use of the latest developments in interoperability standards. This ecosystem has helped to speed up the adoption of digital solutions, facilitate the effective reuse and exchange of information, reduce data redundancies in Enel and, more generally, reduce the time and resources used in the exchange of information flows.



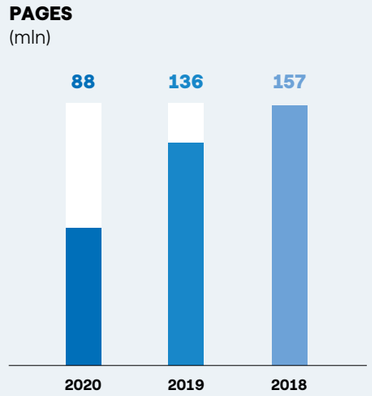
Machine learning and predictive maintenance

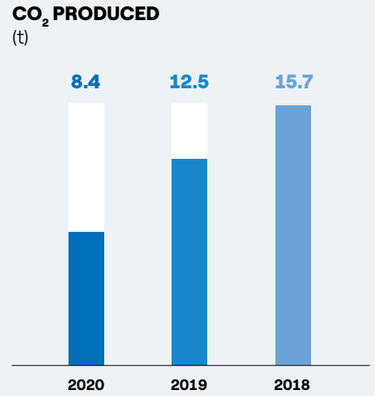
Machine learning technologies have been adopted by Enel to conduct predictive analysis in relation to the maintenance of electricity distribution networks and generation plants, identifying possible errors in advance and acting before faults occur on the main components. Reducing the risk of malfunctions has a significant impact not only in economic terms, but also in relation to the environment and personal safety. This has led to improvements in the service quality provided making it more sustainable over time, while also optimizing the use of internal resources, boosting occupational safety levels, and allowing focused inspections, especially of the most fault-susceptible equipment.

Decarbonization contribution of shared IT services for Enel people

A path of transformation cannot be pursued without placing people at the center of the process and meeting their needs. For the people working in Enel, digitalization is a new way of thinking of corporate processes, starting from the experience gained within the Company, following an integrated services logic and exploiting the new opportunities offered by digital technology to the full. Also, the IT equipment life cycle is managed with the aim of extending the useful life of each device as long as possible through initiatives such as selling decommissioned equipment to Enel people and promoting reuse and recycling when the equipment reaches the end of its life cycle.

Printing service

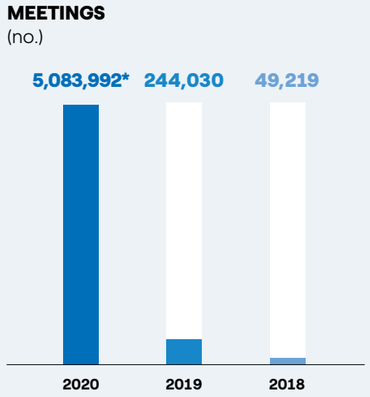


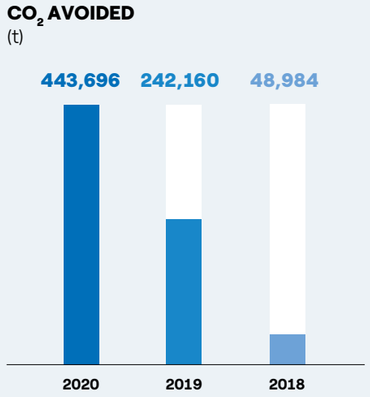


The printing service, which is operational in all Enel sites, takes advantage of the latest generation of printers specifically designed for more eco sustainable use and is developed around an evolved business model that has made it possible to transition from a product concept to a service concept. Thanks to the service characteristics, combined with a more rational use of printouts, and to digitalization, we have been able to reduce paper consumption over the years, thus lowering our environmental impact. Specifically, starting from the number of pages printed and the technical specifications of the various printer models, the quantity of CO2 associated with consumption by printers when printing is calculated, applying each Country's emissions factor (source: Enerdata) resulting from the specific local mix of energy sources[1] .

(1) Enerdata release of April 15, 2020. Considers data in the following countries: Italy, Spain, Russia, Romania, Brazil, Chile, Peru, Colombia.

Video communication

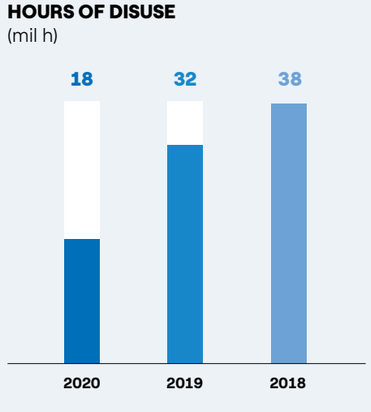


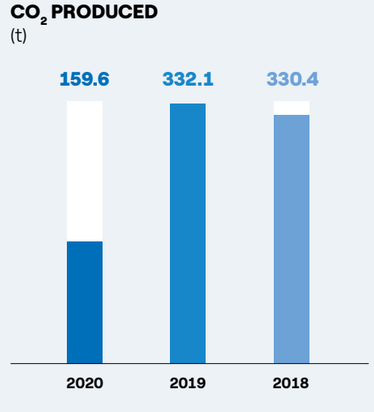


*Value impacted by the Covid effect.

By means of the "Unified Communications & Collaboration" platform, Enel strengthened, integrated and extended its digital services and tools during the Covid-19 pandemic. These actions led to a spread in the use of video communication solutions, helping to maximize savings on travel and out of office missions while also reducing CO2 emissions.

PC Power Management Italy





In 2020, monitoring continued of electricity consumption outside normal working hours[1] linked to the IT workstations (desktop computers, laptops, monitors) of Enel people working in Italy. This measurement is possible because the IT workstations are equipped with a Microsoft function[2] that reveals times when a workstation is switched on but unused. Following the analysis, specific awareness raising initiatives were defined, aimed at reducing electricity consumption. This led to a reduction in hours of disuse and the new IT tools supplied to Enel people during the Covid-19 pandemic led to a reduction in emissions.

(2) Monday-Friday (from 7 pm to 7 am); Saturday and Sunday. The monitoring excluded servers and PCs that must be constantly on by nature (e.g. GESI application, Enel Points, Energy Exchange, etc.). Specifically, the indicator represents the amount of CO_2 associated with the electricity consumption of desktop computers, laptops and monitors, calculated after application of the average CO_2 emission value per unit of electricity generated (gCO_2/kWh) in relation to the mix of sources present in Italy.

(3) System Center Configuration Manager.

Value for Disability: technical assistance key 0

Inclusion is a daily challenge, especially in an increasingly digitalized world. Several months ago, a dedicated telephone help desk was placed at the disposal of colleagues with disabilities, including temporary disabilities, who use assistive technologies and software, offering assistance with their technical and practical needs. Assistance service key 0 is available for all requirements of our people. Pressing this key provides access to a specialist service dedicated to managing difficulties with the assistive technologies and software employed. The service is manned by a team with specialized skills in compliance with international guidelines and standards.

Cyber security

The speed of technological development always brings new challenges: and the frequency and intensity of cyber-attacks are on the rise, as is the tendency to focus on critical infrastructure and strategic industrial sectors, highlighting a potential risk of interruption of normal business activities, in extreme cases. Technological transformation would be unthinkable without paying careful attention to cyber security issues.

Typical cyber-attack types have changed radically in recent years: the number has grown exponentially, as has their level of sophistication and impact, with timely identification of sources becoming increasingly difficult. In addition, the Covid-19 pandemic has led to a further increase in cyber-attacks all over the world. This background obliges companies to implement preventive measures to protect their assets, improving and strengthening their cyber security protocols.

Apart from the constant adoption and application of the cyber security strategy, Enel has taken special measures, aware that cyber risk is not only a business threat but can become a huge risk for the entire electricity industry. For example, a large scale blackout in this scenario would have socio-economic ramifications throughout the population, companies and key institutions. Also, the regulations and laws that produce common guidelines to combat cyber risks must necessarily keep 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.

The cyber security path to support Enel's digital transformation is based on the definition, valorization, and progressive adoption at Group level of security governance models, infrastructure, and services, in order to fully exploit available opportunities to boost the cyber resilience of infrastructure and applications. In line with the Open Power approach, we have adopted a holistic, systemic vision that is fully compliant with the emerging needs of the electricity industrial sector, and also embarked on a global strategy of analysis, prevention, and management of cyber attacks.

Policies and management models

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 responsible for guaranteeing the governance, coordination and control of cyber security issues, definition of strategy, policies, and guidelines in accordance with national and international standards, providing engineering support to protect the Group's areas of operation, and monitoring the risk posture by performing checks based on processes and technology. 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 constitute the Cyber Security Operating Committee, the aims of which are to evaluate the cyber risk across the business in order to define the risk acceptance criteria based on the Group risk posture, and to standardize the entire process. The **Cyber Security Committee**, chaired by Enel's Chief Executive Officer and composed of his main front lines, approves the cyber security strategy and periodically checks its progress.

Each Group area department participates actively in implementing the cyber security strategy by means of an integrated operating plan aligned with the Group's objectives.

Cyber security strategy and initiatives are recurring topics subject to the oversight of the Group's principal executive and control bodies (e.g. Board of Directors, Control and Risks Committee, Supervisory Bodies, etc.).

In 2017 the Company also set up a specific "**Cyber Security Framework**" policy, which orients principles and operating processes for a global risk analysis, prevention and management strategy.

The framework is based on a "systemic" vision that integrates the sector of conventional Information Technology (**IT**) with that of Operational Technology (**OT**), linked to the world of industry, and with the Internet of Things (**IoT**).

In defining this framework, the new Cyber Security Risk Management methodology was established in 2017; the methodology is applicable to all IT, OT and IoT environments and it describes all 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) for proactive management and response to cyber incidents while collaborating and exchanging information within a network of accredited international partners. Since 2019, a new agreement has been established with USA national CERT; this affiliation brings the number of accreditations at 9: Romania, Italy, Chile, Argentina, Peru, Colombia, Brazil, Spain, and the US.

Enel CERT is also an accredited member of Trusted Introducer, which includes more than 380 CERTs in more than 60 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 over 510 members in more than 90 countries.

Definition of the IT security strategy

The cyber security strategy defines objectives and priorities, in order to address and coordinate initiatives and investment activities for the Enel Group considered globally, and to guarantee compliance with cyber security policies, targets definition, managerial reporting, and continuous monitoring of security initiatives in progress.

This process is guided by CISO and it uses close integration and synergy with the various business areas, which communicate their needs, share training, analyze opportunities, manage any criticalities, and make proposals for initiatives.

Specifically, strategy definition is an iterative activity based on sharing and consolidation of the Group's risk posture target. The various actors involved analyze the options and potential 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 actors involved, 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 definition of priorities.

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 Enel operates (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), which are 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 (Internet of Things, the extension of communication and intelligence to the world of things).

Through the risk monitoring systems CERT collects more than 2 billion events daily from more than 3,700 sources of data concerning corporate assets, correlates them by exploiting automatic analysis techniques, and produces around one hundred "incidents". The incidents are classified according to the Enel Cyber Impact Matrix on a scale of 0 to 4, making use of the best events correlation capabilities emerging from the adoption of highly advanced services.

The vast majority of "incidents" are classified at **level 0/1**; they 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 at **levels 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 1.7 million at-risk emails, 325 viruses, 154 web portal attacks, and 474 thousand 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". If a crisis situation should arise that threatens the company's business continuity and/or the assets, reputation, and/or profitability of the Enel Group, the appropriate actions are taken immediately, in line with the specific Group policy on "Critical events management".

In 2020 Enel CERT responded to: **140 cyber security incidents with impact level 2; around 40 incidents with impact level 3; 3 incidents with the highest impact level of 4**.

The 3 level 4 incidents are illustrated below.

- **June 7, 2020**. On June 7, 2020 Enel experienced the first level "4" incident. This event shows that, despite an insidious and potentially very damaging attack, the speed and effectiveness of Enel's response ensured that the impacts on business processes were irrelevant. In fact, no critical issues concerning the remote control systems of distribution infrastructure and power plants were registered, customer data were not exposed to third parties and all internal IT services were rapidly and efficiently restored, allowing all business activities to run smoothly.
- **October 19, 2020**. On October 19, Enel experienced a second level "4" incident. Also in this case, the incident was properly managed; no impacts on OT infrastructures; few IT services were affected, promptly and efficiently restored without impacts on business continuity. The attacker declared a breach of some company data that have been published on internet sharing provider for few minutes (published data have been promptly deleted thanks to Enel Group monitoring activities and communications occurred with relevant Authorities). For this reason, also preliminary notifications to competent Data Protection authorities were done together with a specific communication to interested data subjects.
- **November 2020**. On November 2020, the third incident of "4" level was opened by CERT. After first analysis emerged that the event was not related to any Cyber Security attack.

In all cases detected, all the procedures defined for incidents and critical events management were activated in order to allow an efficient and quick response, so to minimize impacts on people, services and assets.

Particularly, when a cyber security incident result in a potential data breach, the necessary actions are immediately undertaken, in line with Enel Group policy "Personal Data Breach Management".

In 2019 migration of applications to the IaaS cloud was achieved for the entire scope of Enel applications; this implies that all Enel web portals leverage on enhanced cyber security solutions too. For this reason, the number of "Internet web applications protected by advanced cyber security solutions", considered in percentage terms, stands at 100%.

In March 2020 we also published the "**IT Service Continuity Management**" **Policy**, in order to formalize an adequate process and reduce the risk affecting the availability of IT infrastructure to an acceptable level, support business continuity requirements, and guarantee restoration of IT services based on the results deriving from a Business Impact Analysis, in the event of the occurrence of a severe interruption.

In 2021, the number of viruses and connections to dangerous sites may change due to the adoption, at the end of 2020, of two new strategic business security technologies, a global detection and response system (EDR – Endpoint Detection & Response) and a new global solution to protect from outbound connections to harmful websites. In line with the approach already developed in 2019 in relation to the protection of web portals, these new tools provide upgraded functionalities and use innovative paradigms such as embedded analysis modules based on machine learning algorithms. Moreover, by using new functions supplied by reinforced security solutions, the Cyber Security unit can now link multiple attack evidences to the same malevolent activity.

No cases of nonconformity with cyber security standards and regulations were recorded in 2020.

Incidents and breaches	2020
Number of information security breaches or other cyber security incidents	2[1]
Total amount (in euros) of fines/penalties incurred in relation to information security breaches or other cyber security incidents	0
Total number of security breaches of involving customers' personal identification information	1[2]

Breaches involving customers and the related information on fines/penalties are managed in Enel by the DPO structure.

(1) The number refers to cyber incidents.
(2) The number refers to an incident that cannot be deemed to be due to a cyber attack

Main projects

All cyber security projects, programs, and initiatives are designed to avoid, mitigate or remediate IT security risks for the entire Enel Group. Consequently, all cyber security activities – managed with a risk-based approach following the security by design principle – give rise to a continuous due diligence process that also includes self-assurance activities.
The most important projects in this area include:

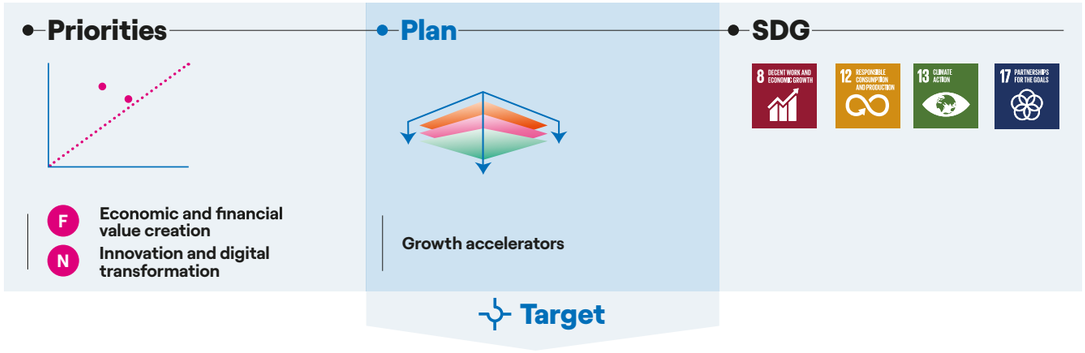
- "**CERT – Risk Monitoring extension**". In the final quarter of 2020 CERT started developing new functions that, by exploiting emerging technologies such as Security Orchestration, Automation and Response (SOAR) and machine learning, will make it possible to automate and streamline incident management activities and make use of improved visibility of cyber threats, increasing efficiency in managing new threats and conducting the related investigations;
- "**Encryption end user device**", designed to protect corporate data in cases where they are stored on a user device that is subsequently lost or stolen;
- "**Endpoint Detection & Response (EDR) solution adoption**", which managed the creation of a platform to intercept breaches by means of a unified set of technologies supplied from the cloud to prevent all attack types, including malware and many other threats;
- "**Multi Factor Authentication (MFA)**", which saw the development of a cloud solution used to impose the identification method for users during the authentication procedure. The adoption of MFA makes it possible to recognize a person accessing the system through three different methods: One Time Password (OTP) sent via telephone text message; OTP generated by the app installed on a smartphone; notification and approval request generated via the app. MFA enables compliance with a large number of standards and it is highly recommended to combat emerging threats of credentials theft also based on social engineering techniques (such as phishing, or user behavior not in compliance with the policy). The solution deployment phase started in April 2020. Complete adoption of the solution should occur within 2021.

Collaborations with external bodies and agencies

In line with the Open Power vision, Enel has made its experience available to increase security of the ecosystem and has forged relations with the academic world and institutional actors to organize courses and round tables aimed at identifying talents with an interest in cyber security topics.
2020 was also accompanied by numerous collaborations with institutional partners and interventions at high profile national and international conferences, pursued in order to maintain an active role in the industry international community, sharing the Enel cyber security model. In this context, Enel took part in the **Confindustria Digitale** team, which was formed to assist the development of the Italian digital ecosystem.
Enel participates in **World Economic Forum** work groups and, in December 2020, contributed to the publication of the report entitled "Cyber Resilience in the Electricity Ecosystem: Securing the Value Chain", aimed at developing guidelines and proposals concerning the responsibility model in the context of the electricity industry value chain for the supply of products, design of solutions, and phases of commissioning and operation. In addition, participation in the "World Economic Forum's Systems of Cyber Resilience: Electricity" project led to the publication of the report entitled "Cyber Resilience in the Electricity Industry: Analysis and Recommendations on Regulatory Practices for the Public and Private Sectors" in July 2020. The goal of this report was to provide recommendations for policy makers and companies to improve cyber resilience in the electricity industry.

Training and information

The Company pressed ahead with its commitment to disseminating the "cyber security culture" and in 2020 **16 cyber security knowledge sharing events took place**.
After the first launch at the end of 2015, the **Cyber Security Awareness Program** has become a constant and ongoing initiative at Group level, responsible for disseminating the cyber security culture in order to raise awareness of threats and attacks that exploit the human vector.
One of the main factors that guided and further strengthened a large number of cyber security awareness and communication initiatives in 2020 was the emergency situation caused by the Covid-19 pandemic. During emergencies it is extremely important to raise people's attention levels to ensure they do not fall prey to attacks by hackers and fraudsters. On the other hand, exposure to cyber risks is now even greater, because tens of thousands of Enel people have been operating in smart working mode, using their home broadband network to access Enel's servers. This results in the need to focus attention on working methods and equipment protection in order to guarantee security of the Company and its assets and avoid compromising business continuity. In particular, bulletins and newsletters have been created and distributed via the corporate Intranet and a series of documents have been made available to spread up-to-date information on cyber security topics and initiatives.
The past year also saw the release of the **"Rules of Behavior for Digital People"** policy, an articulated code of conduct addressed to all Enel people, to safeguard their digital identity, allow them to act safely in the world of social media and, when necessary, send notifications concerning potential incidents and request assistance.
Another development was the launch of the **Open Tech Journey** project, aimed at providing access to training courses focused on technological topics, promoting internal skills to spread awareness of strategic topics and to manage upskilling and reskilling requirements. This was the background to the creation of the **Cyber School**, which delivered eight "fundamentals" courses on the main cyber security topics. The first courses edition was delivered in a virtual classroom (four courses in 2020 and the remaining four in 2021). All the courses will be re-designed in 2021 in order to deliver them in e-learning mode.



Activities	2020–2022 targets	2020 results	Status	2021–2023 targets	Tag	SDG
• Development of Circular Community activities • Starting of the Circular Academy • Promotion of the culture and best practices of a circular economy at Global Business Line, Global Procurement and Country level		**Circular Community**: ongoing activities in Chile, Colombia, Peru, Spain, Italy; webinars carried out to share projects **Circular Economy School**: three editions held for about 180 'student' colleagues **Practice sharing**: platform set up for internal sharing of projects and best practices **Communication and culture**: internal communication campaign and the creation of the eCircular platform to raise awareness on the topic among Enel's people	**ON-PLAN**	Target outdated and merged into new objectives	I E	12 17
Definition and implementation of circular economy solutions in collaboration with the various business areas		Circular economy solutions developed at Global Business Line / Country level and in cross-cutting areas	**ON-PLAN**	Definition and application of circular economy solutions and new business models focused on key technologies[1]	I E	12
Creation of an ecosystem dedicated to the topic of circular economy in the most relevant countries where the Company operates		Initiatives developed to drive the transition to circularity at national level (Argentina, Brazil, Chile, Colombia, Italy, Peru, Spain, United States[2])	**ON-PLAN**	Target outdated and merged into new objectives	I E	12
Definition and application of suitable industrial and financial circularity metrics to support and enhance circular economy activities, engaging the respective business areas		• KPIs set to monitor CE initiatives; dashboard for CEO Business Review; KPIs for Market • Collaboration with the Ellen MacArthur Foundation for the development of Circulytics	**ON-PLAN**	• Start of data collection for Group financial/industrial KPIs • Consolidation and adoption of potential other Business Line/ Country-specific KPIs in 2021 • Definition of the Group's financial/industrial objectives on the circular economy in 2022	I E	12
Strengthening of partnerships and collaborations		• Members of: Ellen MacArthur Foundation; Capital Equipment Coalition; Circular Electronics Partnership; Italian Circular Economy Stakeholder Platform; expert group on financing the circular economy; European Remanufacturing Council • Extension of the circular economy alliance and participation in the WBCSD Built Environment Working Group	**ON-PLAN**	Strengthening partnerships and collaborations with international networks, companies from other sectors, external players focused on the development of "circular cities"	E G	12 17
Improving circularity[3]				**86%** by 2030	I E	8 12 13
Development of internal skills, culture and know-how on the circular economy				Training activities, CE community development, internal communication and sharing of best practices	I E S	12
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	I E S G	12
Engaging with start-ups				Engaging with startups to accelerate the transition to the circular economy	I E G T	12 17

I Industrial E Environmental S Social G Governance T Technological

Goals ⊕ New ↻ Redefined ↺ Outdated

(1) Key technologies such as wind power, photovoltaics, smart meters, electric vehicle charging stations, electric vehicle batteries, etc.
(2) For example, circular solutions have been implemented to solve social problems and advance the culture of the circular economy (circular Covid masks in Italy and Argentina).
(3) Lower material and fuel consumption of the Group's plants throughout their life cycle compared to 2015.

CIRCULAR ECONOMY

Useful life extension

Approach to the design and management of an asset or product in order to extend its useful life, e.g. through modular design, facilitated reparability, or predictive maintenance.

Product as a service

Business model in which the customer purchases a service for a limited time, while the company maintains the properties of the product, maximizing the utilization factor and useful life.

Shared platforms

Management systems in common among multiple users of products, assets, or skills.

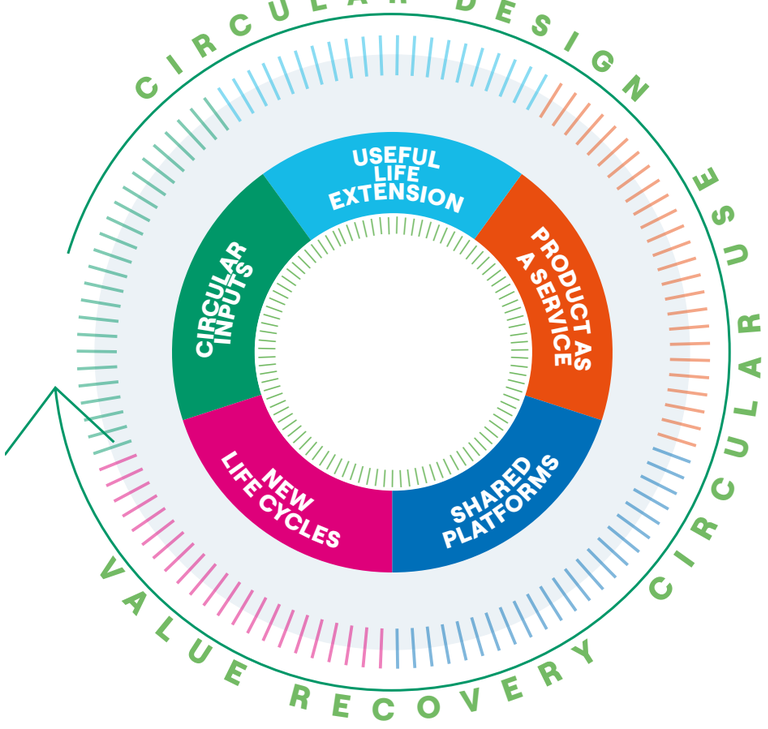
New life cycles

Any solution to preserve the value of an asset at the end of a life cycle through reuse, regeneration, upcycling or recycling, in conjunction with the other pillars.

Circular inputs

Production and use model based on renewable inputs or previous life cycles (reuse and recycling).

The growing penetration of renewable sources, together with greater use of the electric carrier by our customers, is capable of boosting opportunities deriving from the circular economy and represents the only path towards the decarbonization of the economy and the society in which we live at the speed we need, considering the critical environmental situation of the planet. According to recent studies, the circular economy can contribute up to almost half the global effort toward reaching the decarbonization objectives. The European Union has given a strong impulse toward regulating the circular economy and subsequently, also other governments, cities and territories on all continents have started to develop these issues. Enel actively participates in the discussion on every institutional level, from supernational to local, in order to support this transition both in terms of vision and content and in terms of design.



> Manage energy and commodities by focusing on the sustainability of what we do, in order to ensure development and results.

Claudio Machetti

Global Energy and Commodity Management

Why is it important for our stakeholders?

We have been operating for some time now with the aim of developing business and achieving results with the full involvement of our stakeholders. Our commitment to circularity is a further step in this direction.

Forward looking companies in all sectors have embraced this visions in the last years. Enel started down this path many years ago, and now the circular economy represents a true strategic driver in Enel's business as well as a growth accelerator along the entire value chain.

Rethinking the business model from a circular point of view is first of all a challenge not only in terms of technological innovation but also in terms of collaborating in an increasingly close manner with our own ecosystem.

To reduce the consumption of non-renewable materials and energies, we need to act on one hand on the resources used as input, switching from resources from non-renewable sources to renewable sources or recycled input, and on the other hand on models of reuse, sharing or product as a service (PaaS), regenerate or recycle.

Enel's approach for the circular economy is extremely open and transversal, and recognizes that innovation plays a central role that is not limited to technical aspects, but concerns all dimensions of our business: technology, business models, contractual frameworks, collaborations along the internal and external value chain, regulatory and institutional context, etc.

For Enel, the circular economy:

- is not just a topic of environmental management, but much more than this: it concerns redesigning the entire economic model and therefore transversal governance is needed with respect to economic and environmental areas, on every level (from institutional to corporate);
- covers the entire value chain but places greater attention above all on the initial phases of designing the products and goods and defining the business models;
- has to be supported by innovation and the financial and insurance sector to be able to reach its full potential;
- requires constant updating of the legislative framework, which was established over decades in a context dominated by a linear approach;
- requires transversal systematic collaboration between public and private along the value chain (suppliers-company-customers), cross-sector, etc., also through open governance tools;
- must be supported by solid metrics that make it possible to appreciate its progress, as well as training in order to develop a new circular culture.

The circular economy makes it possible to switch from a model based on the consumption of environmental resources, with the increasing contribution of automation, to a model based on maintaining the value of products and goods, where human work can have an increasingly relevant role.

The main potential social impacts are:

Why is it important for Enel?

Operating in a sustainable way is a priority for us, and we place the environment and people at the center of our development model. We have moved along this pathway by integrating circular management into our activities.

- **employment**, with the creation of new professional profiles in all sectors (not only related to the creation of specific sectors, but above all the redefinition of existing sectors from a circular point of view);
- **social**, with benefits deriving from new circular solutions in terms of access to products and services at a lower cost, thanks to solutions such as reusing, recycling, sharing, PaaS;
- **professional**, with new opportunities related to professional requalification, the sharing of skills, the creation of new, more transversal profiles, the recovery of more 'artisan' skills, etc.

The governance of the circular economy

The success of this transition also requires the definition of an effective governance. The circular economy is a transversal topic and is not associated with only one area, rather it is an approach to be adopted in all lines of business. For this reason, it is of fundamental importance for this approach to be coordinated regarding the strategy, context, skills and that it supports every staff and business area for its effective adoption.
For this purpose, specific areas have been created in Enel in various Business Lines and various Countries which are coordinated by a Holding area. In particular, whereas the Business Lines redesign or develop business models from a point of view of the circular economy, the units on a country level provide support locally to the development of business opportunities, with considerable collaboration with the local ecosystem.

The circular activities of the Business Lines and the main projects

In order to apply a circular approach in a systematic manner, Enel is working in a transversal and integrated manner in all of its business areas and involving suppliers and customers. This results in a structured and effective approach so they can redesign their own model.
For this purpose, the main areas of activity concern the following aspects.

Suppliers

The Circular Procurement strategy that Enel is promoting is divided into the following steps:

- **involvement of the suppliers: insertion of specific K factors** or requirements during the tender phase to reward the commitment of the suppliers in their transition toward the circular economy;
- **definition of metrics and measurement of environmental impacts** of what is acquired by means of the Environmental Product Declaration (EPD). Currently, on a global level, approximately 200 suppliers are involved in 12 product categories, which today represent more than 60% of the expense for purchasing materials; for the remaining categories, works and services, certification is being applied (Carbon Footprint, for example);
- **co-innovation**: starting projects with suppliers in order to jointly redesign the life cycle of goods, also by modifying customer requirements.

Assets

The circular approach is applied along all the main phases of the life of the assets (power plants, electrical grids, etc.): from the planning (design and input material selections), implementation (management of construction site phases) and operation (maintenance oriented toward extending their useful life) up to decommissioning (management of areas, equipment, materials and infrastructures in order to identify new life cycles through reuse, upcycling, remanufacturing, recycling, etc.).

Global Trading

Various strategies are being defined for managing assets from a circular point of view, and taking the specific aspects of the various assets into account, also considering the secondary raw materials that can be recovered and identifying more efficient valorization methods, both within the Company and in other markets.

Global Power Generation

The photovoltaic value chain is currently being redesigned – on the one hand by working on the circularity of the input materials (by evaluating the use of materials such as recycled plastic) and on the other by identifying solutions that maximize the recovered value at the end of their service life.
Furthermore, in order to make the wind supply chain more circular, innovative technologies are being evaluated for the recovery of the wind blades at the end of their service life, also by exploring cross-sectoral collaborations, such as the possibility of reusing the recovered material in the construction sector.

Spare parts and equipment New Life

The application of sustainability and circular economy approaches to the decommissioning of coal-fired plants has generated environmental and economic benefits. The "Spare parts and equipment New Life" project, which was launched in February 2020, has precisely 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.
This has been made possible by the identified and defined target options, i.e. five business models based on the principles of the circular economy: reuse, resale, donation, recycle and, if applicable, in-house Enel projects.
As of today, the project perimeter includes materials in the warehouse and equipment (components) from five countries – Italy, Spain, Russia, Chile and Argentina – and 14 plants.
The main opportunities that have been completed include, for example, the in-house reuse of various materials and components in Italy, Spain and Chile. This has made it possible to obtain, in addition to benefits in terms of sustainability and circular economy, a total value of avoided costs equal to approximately 1.4 million euros.
Furthermore, sales initiatives have been started with third parties, for example for material in the R-GRES warehouse in Russia and in the coal mills of Teruel in Spain.
There are many opportunities in the pipeline, which cover all five business models; their activation is therefore the objective of the program for the upcoming months. Progress is measured by *ad hoc* indicators that have been defined for the project and are periodically monitored.

Global Infrastructure and Networks

The value chain of the grid assets is currently being analyzed, with the objective of creating long-term value by focusing on two main levers: regeneration of end-of-life asset materials and introduction of a circular approach during the design phase. In 2020, experiments were completed for the regeneration of the plastic coming from decommissioned counters to be used for the production of new counters, and an analogous process was developed in Brazil. Experiments were also started regarding the regeneration of the materials of other grid assets (for example, the supports for the electrical infrastructure and the boxes for the electronic counters).

Circular Open Meter

Enel has embarked on a challenging path aimed at redesigning the value chain by adopting a circular economy model in order to reduce environmental impacts by maximizing the recovery of end-of-life products and materials.

With the progress in Italy of the **plan to replace 32 million first generation meters**, Enel has decided to transform their disposal into an opportunity by using the material originating from the counters being decommissioned to make the new "**Circular Open Meter**".

When developing this device, a process was perfected for the selection and regeneration of the polycarbonate taken from the meters being decommissioned, which can be replicated in the future in all countries of the Group, if the physical and mechanical characteristics of the recycled plastic material permit doing so. In **June 2020, the NMi Certification Body** (**Nederlands Meetinstituut**) for **the MID Directive** (Measuring Instruments Directive) approved the use of the regenerated plastic for the **Open Meter**. With this certification, which guarantees the quality of the regeneration process, production started for the first batch of the **30 thousand Circular Open Meters**.

Made of 100% regenerated plastic, the new counters make it possible to minimize the environmental impact to the benefit of customers, the territory and the environment. In particular, with the application of the "Life Cycle Assessment", a standardized assessment method on an international level that quantifies the impact of a certain product on the environment, it was estimated that **for the first batch** there was a **reduction of 210 tons of CO_2 emitted** as compared to the traditional process. Furthermore, thanks to the reinsertion **of the waste material of the old devices in the production process of the new Circular Open Meters** (mainly plastic), **also a reduction** of **31.5 tons of waste was estimated**.

In percentage terms, 48% of the new meters by weight is made of regenerated materials. It is also estimated that 79% by weight of the Circular Open Meter (in addition to plastic, also the metals and steel) can be recycled at the end of their service life[1].

The Circular Open Meter is therefore a perfect example of the circular economy, a large step forward toward an industrial model that is increasingly sustainable, innovative and efficient along the entire value chain.

(1) Hypothesis: 90% recycling rate of the polycarbonate used as input; 95% recycling rate for the end-of-life materials (polycarbonate, steel, copper, polyamide, others such as silicon and aluminium).

Customers

Customers are involved, on the one hand, by offering them products and services that are increasingly circular and, on the other, as regards industrial customers and the public administration, by supporting them in measuring and improving their own circularity.

Enel X offers innovative products and services, promoting the electrification of consumption and the transition toward renewable energy in areas such as electric mobility, heating/cooling, grid flexibility, etc. Furthermore, with the Circular Economy Boosting Program, which is a continuous measurement and improvement process, Enel X makes the solutions in its portfolio increasingly circular. Similarly, Enel X supports industrial customers and the public administration with the Circular Economy Report, which measures their circularity and defines a roadmap for improving it.

The Enel X Laboratory in continuous evolution

In order to stimulate the market toward higher standards that can be both an example and a driver for other companies, both suppliers and customers, Enel X provides innovative advisory tools capable of guiding companies and public administrations in defining and implementing sustainability programs. The entire process, which is unique in its completeness and innovativeness, is called the "**Enel X Circular Economy Boosting Program**", precisely to underline and emphasize the acceleration/boost aspect and therefore the dynamism and commitment that the entire company constantly demonstrates to pursue its sustainability and circular economy objectives. The advisory service, which supports the recovery of Italian companies and public administrations, includes the following tools.

Enel X Circular Economy Client Report

During 2020 approximately 50 Circular Economy Client Reports were completed, which supplied customer companies with solutions for generated savings on a yearly basis of more than 7,000 tons of CO_2 and 10 GWh of energy. In Italy, important **partnerships were established with the main bodies and strategic companies that represent the territory**. The objective is to transfer knowledge about the circular economy as a sustainable business model able to generate opportunities that are economically advantageous and competitive, both for the territory and for customer and partner companies internationally.

Enel X Circular Economy PA (Public Administration) Report

To accompany the public administration toward a more sustainable and circular approach, Enel X has developed an assessment model that aims to evaluate the level of circular maturity of municipalities and identify a series of solutions to implement within a roadmap of concrete interventions that have an impact on the territory. This assessment is performed on both levels of analysis: on a level of the entire urban/city perimeter and on the level of one or more specific sites (buildings and public structures) with a focus on energy circularity.

For cities, the assessment covers five survey areas: circular economy, energy, mobility, waste and emissions. Each of these areas is assessed based on four dimensions and specific indicators associated with them, which are useful for identifying the level of circular maturity of a city:

- **governance & policy**: existence of targets and plans for promoting the circular economy and related issues on a local level;
- **support tools**: promotion of initiatives and incentives, by the administration, so that citizens and companies improve their approach to the principles of the circular economy;
- **digitalization**: adoption of digital tools to enable the development of circular behaviors by citizens and companies;
- ***status quo***: assessment of quantitative aspects related to the management of energy and material sources from a circularity point of view.

Furthermore, in order to automate it and make it even more usable, both for large urban centers and small cities, the model is currently being updated thanks to active collaboration with academic and institutional partners. In this way, it will be possible to further extend the area of analysis, adding new areas and indicators and including new data sources, comprehensive of those available via open data.

Enel X Circular Economy Product Score

As instead regards products, the starting point for the Circular Economy Boosting Program is the Circular Economy Score, which allows the degree of circularity of the solutions in the portfolio to be measured. Each product and the upstream and downstream supply chain can in fact be assessed based on parameters of the circularity assessment metrics. This obtains a "product score" that serves two functions: on the one hand to calculate the environmental impact and define possible improvements to the production cycle, on the other to measure the effectiveness of the proposed change. The obtained score is then used as the starting point for applying the Circular Economy Boosting Program and increasing the circular maturity of the product through "product innovation" and "redesign" processes, in order to increase the level of circularity and sustainability. An example of an Enel X product for which the Boosting Program was applied is the device for charging electric vehicles for private individuals, the Juice Box.

Juice box and the circular economy

The application of the principles of the circular economy to the production cycle can provide a considerable contribution to the adoption of behaviors that are more responsible with respect to the planet. An emblematic case of a product score with the aim of improving its sustainability is that of the Juice Box, the latest proposal of Enel X for charging electric vehicles for homes and companies. The Circular Economy Boosting Program was able to identify the lever for increasing the level of circularity of the product and, at the same time, combat pollution created by the plastic used to make the encasing of the small charging station. The procurement of the virgin plastic was replaced by recycled plastic, with the identification of new suitable suppliers and designing and implementing an innovative product inspired by the principles of circularity. After the tests confirmed the results in terms of performance comparable to what was obtained using virgin plastic, at the end of 2020 the first 3 thousand Juice Boxes saw the light of day. In 2021, in Europe only, more than 30 thousand new Boxes will be produced, therefore using approximately 62 tons of plastic waste for their manufacturing, with an additional roll-out already planned in other Countries and Regions.

Digital

The digital area is a fundamental part of the Company and represents a circularity enabler. By developing initiatives for the circular management of IT assets (for example, extension of the useful life and reuse of the devices) as well as other digital solutions that enable and accelerate circular business models (for example, machine learning techniques intended for predictive maintenance, digital management of information about materials, etc.).

Targets and performance indicators

One of the main challenges for the true adoption of a circular economy model is the definition of criteria and reference metrics on an international level that make it possible to distinguish between circular and non-circular solutions, measure the impacts, define the objectives and understand the improvement levers.

Enel measures the economic performance of the new initiatives of all the Business Lines through a periodic metric presented to top management, which measures the environmental impacts and economic performance differentials of this new focus. In particular, a first set of indicators, which are more operative, is used to monitor the activities and initiatives developed on a Business Line as well as a country level. In parallel, an integrated Group process is being developed in order to measure the material and energy parameters related to the five pillars of the circular economy, in physical and economic terms.

CirculAbility Model

About four years ago, Enel developed and perfected a conceptual model for defining the measurement of the circularity of its business, and made it public online to spread the knowledge and promote the adoption of circular economy models.

The model, which is called the CirculAbility Model, defines the five pillars of circularity in a quantitative manner and simultaneously manages both the material component and the energy component, providing a single circularity indicator[2].

(2) https://corporate.enel.it/en/circular-economy-sustainable-future/performance-indicators.

The model has been shared with other industry operators, competitors and institutions, to provide a proactive contribution to the dialog. In coherence with the Group's vision, specific approaches have been developed for the various targets:

- **Procurement**: the supply categories are subjected to a systematic analysis of the entire life cycle ("Life Cycle Assessment"), using the EPD (Environmental Product Declaration) to track environmental impacts and all material and energy flows during the supply generation process;
- **Circular Assets:** in order to manage Group assets with a circular approach, the circularity of the design, construction, operation and end of life phases is measured, making it possible to identify operating initiatives that make it possible to increase the overall process circularity rating;
- **Enel X**: measurement of the level of circularity of the products and services offered to customers (in order to provide a tool of comparison for interested end consumers sensitive to environmental issues) and of the circularity of industrial customers and the public administration.

Group circularity indicators

In order to measure the circularity of its activities in a precise manner, the Group is increasingly focused on analyzing the evolution of the consumption of resources associated with its business activities.
In line with the productivity indicators of the resources, also provided by Eurostat, we measure the consumption of material for its entire life considering the whole value chain.
As regards the generation capacities, this involves measuring the consumption of resources over the entire life in connection to a power plant: from the extracted raw materials, to the consumed materials and the energy used during the phases of manufacturing, construction, operation and decommissioning. This aggregated value is then compared with the energy produced over the entire life. This indicator, on an aggregate level, was presented at Capital Markets Day 2020, and was defined a target for 2030 for improving circularity by 86% in comparison to 2015 in terms of consumption for the entire useful life of the materials and fuels for the generation capacity (the value achieved in 2020 was 54%).
The objective is to more deeply analyze these impacts by technological supply chain, in order to progressively reduce the Group's impact on the consumption of resources, tracking the individual materials in an increasingly detailed manner. This represents a fundamental step for ensuring that the transition toward renewable energies and electrification of final demand does not generate in turn new environmental, social and procurement challenges related to the utilized materials.
The systematic development of these analyses makes a bottom-up aggregation possible to improve the overall impact in terms of Group resources as regards the activities carried out.

Circular EBITDA

The circular economy is closely connected to the creation of not only environmental value, but also economic value; it is also measurable in a quantitative manner and therefore can permit a connection between industrial and financial metrics. These hybrid metrics are being defined, also sharing the approaches with various stakeholders inside and outside the Company, and precisely defining the development criteria in compliance with various international forums regarding sustainable finance.
In general, circular EBITDA takes 3 categories into consideration:

- **Circular Product & Service – Circular P&S** (supply of products and services that enable the circularity of customers): sectors considered circular due to the type of products or goods that they supply, renewable energy, charging systems with PaaS for electric mobility, etc.;
- **Circular Value Chain – Circular VC** (adoption of circular input and development models): each sector, regardless of the type of output, can insert circularity along its entire value chain in terms of design, materials, etc.;
- **Enabler**: functions that do not have a direct impact on circularity in terms of material and energy flows, but that are essential because they enable the other areas (for example, digital, supplier management, etc.).

In line with the Group CirculAbility Model, the levers to use concern both the flows of material and energy (circular flow, both input and output) as well as the business models (extension of the useful life, PaaS, sharing).
The three categories can overlap: for example, the sector of renewable energy can be put in the Circular P&S category, but, if also the entire supply chain – from materials to installation and decommissioning – is inserted in a circular point of view, therefore it can also be put in the Circular VC category.

Circular city

Enel already started working on the topic of circular cities many years ago, with the awareness that the evolution of the cities cannot be approached only from the point of view of individual technologies or individual sectors, but requires a transversal vision, a clear definition of the economic, environmental and social objectives as well as open governance. Cities are responsible for approximately 80% of global GDP, and are also the areas where the global challenges are most critical, because they contribute to more than two thirds of emissions and the world-wide consumption of natural resources. Therefore they represent a laboratory for the definition and implementation of solutions that provide a concrete contribution to the solution to the global challenges.
With its vision of the circular city, Enel has discussed and collaborated with associations and companies in other sectors to define the context within which it can make its contribution. When expanding upon this viewpoint, technologies still maintain a central role; for example infrastructure is an aspect that permeates all the areas: smart grid, smart lighting, ports, fiber optics. New technologies play a key role, as well as the most important renewable technologies and IoT (Internet of Things) solutions: they represent a new paradigm able to eliminate global and local pollution emitted by current technologies and improve the quality of life of citizens.
Enel has contributed to this design not only in terms of business solutions and services, but also with theoretic thinking, for creating awareness and for sharing ideas on this topic. Three years ago, Enel published its first position paper on circular cities, with the study reaching its third edition in 2020, which has placed emphasis on a key topic for the effective and organic implementation of the circular economy: public-private collaboration (https://www.enel.com/content/dam/enel-com/documenti/media/paper-circular-cities-2020.pdf).

The involvement of the ecosystem

A circularity-based business model implies the utmost collaboration between all actors involved; that's why we consider it essential to open up to dialogue with parties who share this vision, involving the supply chains and promoting common initiatives to safeguard natural resources and boost competitiveness of the ecosystem.
It is not possible to search for a circular solution only within a company or its business sectors, rather it is necessary

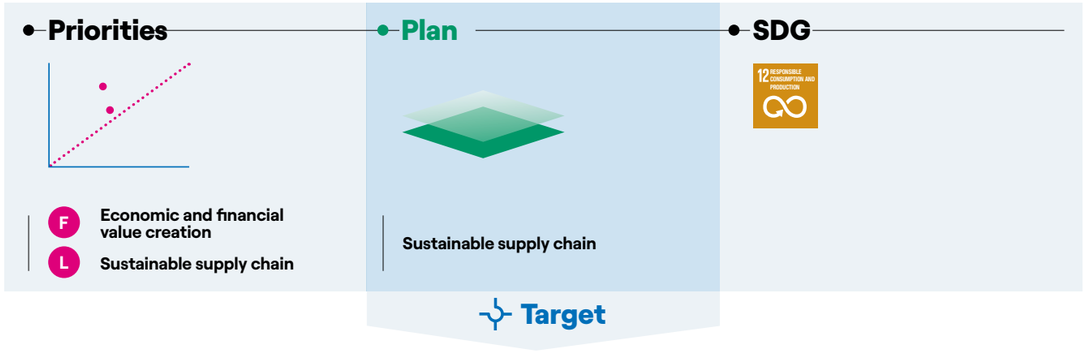
to also explore synergies with other sectors with which the company never worked together historically.
For example, for this purpose Enel is committed to a global initiative after joining the **Capital Equipment Coalition**, which is a coalition of leading companies on the topic of the circular economy.
Furthermore, for this purpose, in 2017 Enel, together with many other "Made in Italy" companies in various sectors, launched the Circular Economy Alliance.
Another key element for supporting the creation of a circular ecosystem is the participation in **international networks** in order to contribute toward the discussion regarding how to accelerate the transition toward a circular economy, sharing the best practices and identifying possible synergies and collaborations. With this objective, Enel is part of various networks, such as:

- Ellen MacArthur Foundation;
- World Business Council for Sustainable Development;
- European Remanufacturing Council;
- Italian Circular Economy Stakeholder Platform.

The active participation in these networks, in combination with a collaborative approach with the external world and with a focus on co-innovation with our suppliers and customers, is of fundamental importance in order to create an innovative ecosystem with the objective of making the various value chains more circular.

A new circular culture

A transformation like the one represented by the transition toward a circular economy model requires a commitment also in terms of skills, work methods, integration.
Enel has made a strong commitment to promoting the culture of circularity, both within the Company and externally. Therefore, we make use of our experience and our knowledge on this topic to create informational and educational content to share with stakeholders both inside and outside the Company. Inside the Company, Enel educates its employees and spreads the circular economy through instructional and training activities, such as the online course on the circular economy as well as *ad hoc* training sessions for specific functions that play a role in key activities related to the circular economy. For this purpose, a **Group Circular Economy School** was established, which involved approximately 180 Enel people during 2020 in Europe and Latin America over a period of two weeks per edition. The participation and topics faced were intentionally transversal with respect to the professional areas in order to promote comparison and rethinking in as broad a manner as possible. All business areas and staff Functions participated in addressing technological, process, business model, contractual, regulatory, institutional topics, etc.
Furthermore, various **communities** were created to support the activities and promote the culture and best practices of circular economy across all areas.
An additional important element was the launch of the **e-circular platform**, which is an in-house company platform with the objective of supporting the development of the "circular" behavior of people, therefore also projecting what the Group is facing in business onto a personal level. Colleagues can use the platform to make their skills available (for example for language exchange), offer goods or search for items. Furthermore, the platform represents a focal point for all the circular culture initiatives promoted in Enel through information, news and multimedia content regarding the circular economy.
An additional innovative element was the creation of a Business **Simulation Game session,** in which Enel people in the various countries tested their knowledge about transforming a business from linear to circular by acquiring new levers.
Circular is Cool is the name of the project that Enel X has created for schools, together with Humans to Humans. Contributing toward the creation of a culture of sustainability and circularity means, in fact, also teaching the new generations to respect the planet, our home. The educational project involves approximately 1,000 students from ten middle schools in seven Italian regions, and includes a cycle of three online tutorials, thanks to which the participants will be able to learn about the principles that are at the basis of the circular economy model and its **concrete applications**, for example in the mobility sector, listening directly to the managers themselves.
Finally, Enel puts young talents to the test regarding the circular economy and innovation with two programs, **PlayEnergy** and **We are Energy**, which have the objective of developing and enhancing young talents.
PlayEnergy is directed outside the Company, involving young innovators between the ages of 7 and 18 in the search for solutions for a better future, using their creativity and their imagination. The 2020 edition actively involved more than 7,500 young people from Italy, Brazil and Greece. We are Energy is instead a program intended exclusively for the children of colleagues in all the countries where we operate between ages of 7 and 18. The 2020 edition, which was called ReciproCity, focused on the circular, inclusive and sustainable city, with the participation of more than two thousand young people from 16 countries.



Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Qualified suppliers[1] assessed for health and safety aspects for all product groups (% qualified suppliers)	**100%**	**98%**	**ON-PLAN**	**100%**	S	12
Qualified suppliers[1] assessed for environmental aspects for all product groups (% qualified suppliers)	**100%**	**98%**	**ON-PLAN**	**100%**	E S	12
Qualified suppliers[1] assessed in relation to aspects of human rights or business ethics for all product groups (% qualified suppliers)	**100%**	**98%**	**ON-PLAN**	**100%**	S G	12
Development of a new control system for real time recognition and monitoring of suppliers' performances		Internal communication campaign on the "Track and Rate" system launched in June	**ON-PLAN**	Establishment of the system for reducing risk and improving resilience in the supply chain (e.g. "Risk Methods" - Global Power Generation and Global Infrastructure and Networks)	S	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		Over **1,300** people trained	**ON-PLAN**	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	S	12
Integration of the Environmental Product Declaration (EPD) and launch of co-innovation projects	⊕	⊕		Integration of the EPD qualification requirement and subsequent launch of co-innovation projects	E	12
• 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		• Published the OP 1684 procedure "K Sustainability and other commitments process management" • Sharepoint created for data collection • Integrated the automatic tool on the WeBUY platform • Published the "Sustainability K Library" on the shared portal and launched training between Procurement and Business Lines	**ON-PLAN**	• 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	S	12
• Promotion of activities of information and benchmarking with suppliers • Development of projects in line with the principles of the 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		• Vendor Days and remote workshops held • Launch of the "Circular Procurement" strategy (including the K factor, EPD and co-innovation); circular economy sessions held; including circular K factors and circular factors for planning procurement procedures • Training activities carried out in the field of sustainability, K factors and Circular Economy School	**ON-PLAN**	• Promotion of activities of information and benchmarking with suppliers • Development of projects in line with the principles of the 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	S G	12
Continual increase in the coverage rate of "sustainability K" tenders (% of "sustainability K" tenders out of total tenders)	⊕	⊕		**80%** by 2023	S	12
Definition of a single sustainability index for suppliers	⊕	⊕		Definition of a single sustainability index for Enel's supplier ranking in 2022	S	12

I Industrial E Environmental S Social G Governance T Technological

Goals
⊕ New ⟳ Redefined ↻ Outdated

(1) The percentage 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.

24,012

SUPPLIERS

with which a new contract was signed during the year

75 %

ONLINE TENDERS

7,050

CONTRACTORS MONITORED

with Supplier Performance Management

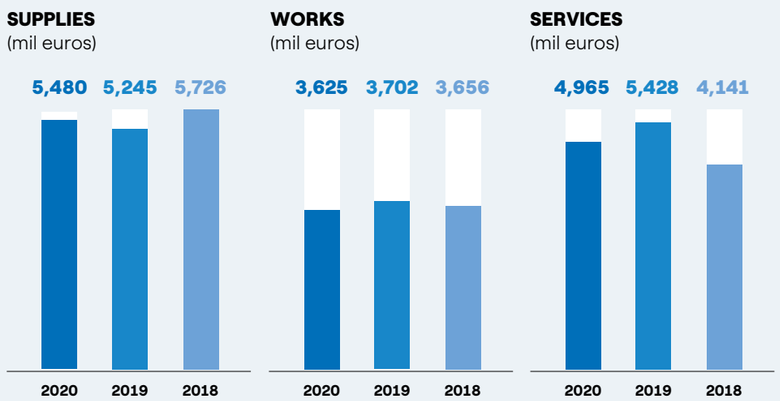
SUSTAINABLE SUPPLY CHAIN

| 102-9 | 102-10 | 103-2 | 103-3 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1 |

A sustainable and resilient supply chain is essential in order to achieve our decarbonization and electrification objectives.
Our purchasing processes are based on pre-contractual and contractual conduct geared towards mutual loyalty, transparency and collaboration. In addition to ensuring the necessary quality standards, supplier performance must go hand in hand with the commitment to adopt best practices in terms of human rights, working conditions, occupational health and safety, and environmental responsibility. The Code of Ethics, Zero Tolerance of Corruption Plan Zero Tolerance of Corruption Plan, Policy on Human Rights, Model pursuant to Legislative Decree 231/01 and the Enel Global Compliance Program all underpin our purchasing activities and serve as a guide and code of conduct for suppliers.

Purchases and tenders for goods and services

Works, service and supply contracts



As a strategic partner for sharing challenges and reaching future targets, a sustainable supply chain is vital for us.

Francesca Di Carlo

Global Procurement

Why is it important for our stakeholders?

Increasingly sustainable suppliers will manage to survive and grow better in the market and become key players and proactive members of an ecosystem that embraces industry, institutions and civil society.

Why is it important for Enel?

By encouraging our suppliers to improve their transparency and competences, we will be able to objectively quantify the impacts generated in the entire life cycle of supplies and services and share future commitments for their reduction.

We promote **long-term partnerships with our suppliers**, managing relations with them in a transparent, collaborative and open manner. The traditional measure of supply chain effectiveness, namely cost savings, is now accompanied by other metrics that seek to **maximize value creation in its various forms** (safety, time, quality, performance, revenue, flexibility, risk reduction).
The strategy is essentially based on three cornerstones:

- **expanding the professionalism of buyers**, through user-friendly technologies and by recognizing everyone's contribution in a multicultural, trust-based working environment driven by passion;
- **enhancing integration and communications** with internal customers, setting out together solutions to fulfill the business' needs;
- **involving suppliers from the moment the need arises**, listening to their proposals and developing innovative approaches together.

Procurement processes are carried out in compliance with the applicable local laws, ensuring the quality of service in full compliance with the principles of economy, efficiency, timeliness and fairness.
Every procurement procedure seeks to apply the principles of free competition, equal treatment, non-discrimination, transparency, proportionality, rotation, and public access. Moreover, the economic principle may be subordinated to tendering criteria inspired by social demands, as well as to the protection of health and the environment and the promotion of sustainable development and social stability.
In terms of environmental sustainability and reducing paper usage, the Group promotes digital processes for the qualification/registration of suppliers, tender management and the issue of contracts.

Supplier management and assessment processes

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We adopt a structured approach to analyzing and monitoring the procurement process, in order to ensure that the best partners are selected and that contracts are executed to the highest sustainability standards.
In particular, **risk assessments are carried out for all categories of purchased products**. The main risks identified relate to economic, environmental and social aspects as well as to integrity.
83% of Tier 1 suppliers (approximately 12 thousand[1]) are deemed critical, considering their strategic importance to the business, purchase volumes and potential economic,

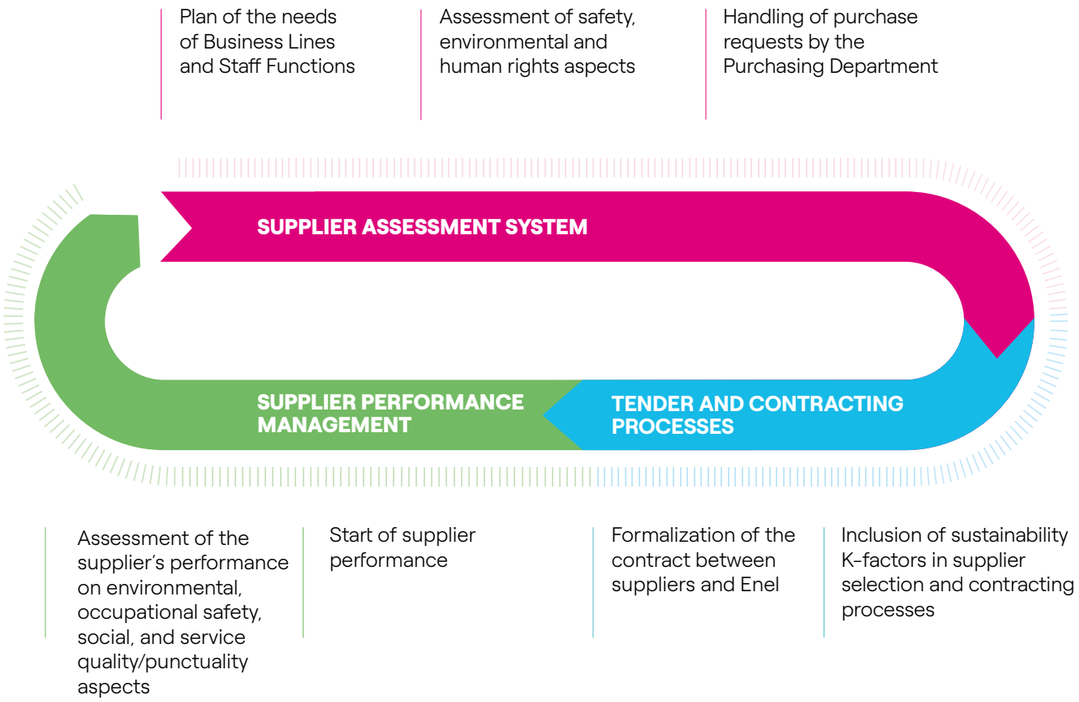
(1) "Tier 1" suppliers are those with active contracts as of December 31, 2020 of more than 25 thousand euros.

social and environmental impacts.

Sustainability criteria are applied right from the initial phases of supplier qualification and selection, with a strict focus on health, safety, the environment and human rights. In addition, at the tender stage, specific sustainability Ks are applied, in a mechanism that rewards and invests in suppliers committed to enhancing their sustainability. These suppliers go beyond the traditional concept of cost savings, by covering any price premium with the extra value contributed by the more sustainable purchases made. Throughout the life of each contract, we check compliance with our requirements and the commitments made in relation to these Ks, applying the Supplier Performance Management program.

A key element of this model is the development of a **circular economy** approach that reviews production processes and/or changes purchasing methods in that context. Application of this approach involves the definition of metrics and indicators, collaboration with suppliers and the promotion of co-innovation projects with them. In particular, the "Circular Economy Initiative for Supplier Engagement" involves about 200 suppliers globally in 12 product categories, which currently account for more than 60% of spending on materials. The initiative is based on adopting the Environmental Product Declaration (EPD), with the aim of quantifying, certifying and objectively communicating the impacts generated throughout the life cycle of each supply (water consumption, CO_2 emissions, impact on the soil, etc.). Lastly, by adopting a dedicated IT tool (the Circular Supplier Tool), it is possible to aggregate data and set sector benchmarks and improvement targets. For further details, see the "Circular economy" chapter of this document.

A number of **Communities** will be launched during 2021, with the involvement of various Staff Functions and Business Lines that will be tasked with the constant, pro-active monitoring of topics relating to the sustainable supply chain and the circular economy. The ultimate objective is to further integrate the principles of sustainability and circular economy within the overall process of supply chain management, measuring the value generated in a manner that takes account of the sustainable development goals.



Supplier qualification system

Our supplier qualification system ensures the careful selection and assessment of companies wishing to participate in procurement procedures. The system assesses their satisfaction of the technical, financial, legal, environmental, health and safety, human rights and ethical integrity requirements, to ensure the proper level of quality and reliability of any awarded contracts. All suppliers, based on their businesses, can participate in a qualification process for one or more Product Groups (PGs): suppliers are only deemed suitable when they meet all the requirements specified for each PG.

Careful and comprehensive analysis of the PG tree is carried out constantly. Our Global Procurement units, business units and competent HSEQ areas map the activities included in each PG and assign a risk level to each topic (safety, environment, human rights, spending, irreplaceable supplier, etc.). Following this risk assessment, PGs are grouped into different families associated with their respective assessed risk. Qualification requirements vary, depending on the implications and specific impacts associated with each Group: for example, for a PG with a high environmental risk, Environmental Management System ISO 14001 certification is usually required, while PGs with a high safety risk must also have Occupational Health and Safety Management System OHSAS 18001/ISO 45001 certification.

The qualification system, governed by an internal procedure, was established in accordance with the relevant laws and regulations and has various qualification paths that take account of the above-mentioned risk classes. The system requires compliance with the principles set out in the Code of Ethics, the Zero Tolerance of Corruption Plan and the 231 Model, the Policy on Human Rights and the UN Global Compact, with specific reference to the absence of conflicts of interest (even potential conflicts) and – depending on the risk class – also requires the presentation of specific certificates/self-declarations, or on-site visits, to verify satisfaction of the above requirements. 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.

The qualification system serves as:

> a guarantee for Enel, providing an updated list of entities with proven reliability (in legal, financial, technical and organizational, ethical, health and safety, and environmental aspects) on which we can draw;
> an opportunity, in compliance with the relevant current regulations, for suppliers to be invited to participate in the procurement procedures announced by Group companies.

There are **three main areas of analysis**:

> **Health and Safety**: the "Safety Self-Assessment" survey enables us to inform suppliers easily about the key requirements for mutual development, and is an integral part of the sustainability requirements for qualifying PGs with a Health and Safety risk;
> **Environment**: environmental assessment criteria vary depending on the product category and level of risk associated with each PG, on a scale from 1 to 3. For PGs considered to have a high environmental risk, ISO 14001 certification or equivalent is absolutely necessary. Moreover, for these product categories, an on-site audit at the contractor's premises/sites is always required. As part of the qualification process, we have introduced a specific assessment of environmental requirements, in addition to the usual checks, for the inclusion of suppliers on the Supplier Register;
> **Human Rights**: prudentially we assess suppliers in relation to human rights, regardless of the level of risk, through a dedicated survey which analyzes the characteristics of potential suppliers in terms of inclusion and diversity, protection of workers' privacy, verification of their supply chain, forced or child labor, freedom of association and collective bargaining and the application of fair working conditions (including adequate wages and hours worked).

Individual suppliers can only be added to the Supplier Register (or remain on it if previously qualified) and be invited to participate in the Group's procurement procedures if they receive an overall positive assessment. If an adverse opinion is expressed, the qualification request will be rejected and the contractor may not be invited to participate in Group tenders. The evaluation of individual sustainability requirements contributes to the overall assessment of the company's suitability for inclusion on the Supplier Register. If exclusion from the Enel Register follows an adverse assessment of one or more sustainability requirements, the supplier may present a new qualification request at a later time.

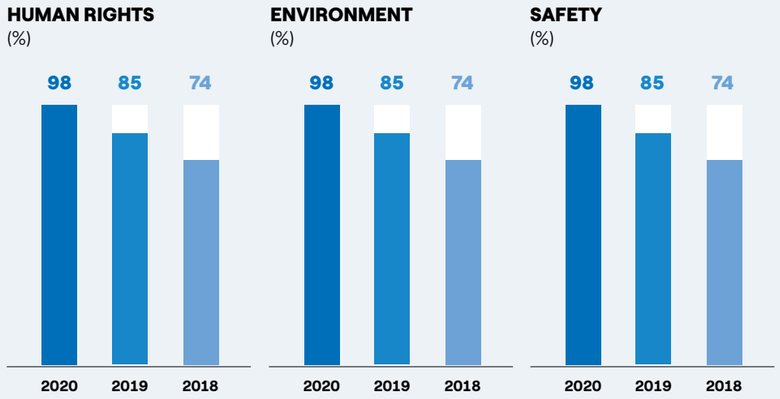
In 2020, 100% of qualified suppliers were assessed according to social, environmental and safety criteria[2]. The number of qualified suppliers with a contract still active

(2) Only contracts worth more than 25 thousand euros (so-called delegated purchases; excluding Sanpaolo, Edesur and part of Romania). New suppliers without a contract in 2019 totalled 6,014 (3,748 in 2019 without a contract in 2018), of which 41% were qualified (27% in 2019).

at the end of 2020 is approximately 5,100 (around 38% of active suppliers as of December 31), while the total number of active qualified companies is 16,124.

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, in 2020 we adopted a structured process governed by a specific procedure designed to monitor the tendering commitments made by the supplier throughout the entire life of the contract. This process is based on a "Library" listing the "sustainability Ks" that may be used in tender processes by the different purchasing units, depending on the PG concerned. There are three main categories:

- **environmental Ks**: for example, possession of ISO 14001 certification, waste management, carbon footprint assessment according to UNI EN ISO 14067:2018; circular economy projects;
- **safety Ks**: for example, possession of OHSAS 18001 certification, monitoring of the main safety indicators;
- **social Ks**: for example, training to develop the skills of local communities, or action to ensure respect for gender diversity.

In a context of continuous improvement, the Library is being updated and a dedicated agile room has been created.

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 with 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. In terms of supply chain sustainability, we require contractors/suppliers and subcontractors – among other matters – to respect and protect internationally recognized human rights, as well as ethical and social obligations in terms of: child and female labor, equal treatment, non-discrimination, freedom to unionize, freedom of association and representation, forced labor, health, safety and environmental protection, sanitary conditions and regulations on wages, social security and pension contributions, insurance and tax. We also expressly require suppliers to commit to adopt and implement the principles of the Global Compact and to guarantee that they will be respected by their employees and subcontractors when carrying out all activities. Moreover, suppliers must agree to respect the principles contained in the Enel Code of Ethics, or at least take inspiration from equivalent principles in managing their businesses. Lastly, suppliers are required to apply the "International Labour Organization" conventions or, if more restrictive, the applicable regulations in the country where their activities are carried out.

In these areas, we reserve the right to carry out checks and monitoring of any type to verify compliance with the above obligations by the contractor and its subcontractors, or entities under its responsibility which are assigned to execute the contract, and to terminate it immediately in the event of proven infringement of those obligations.

Integrity requirements

The Group has adopted specific operating practices to check on "integrity requirements", with the aim of consolidating the existing control system through more rigorous action to tackle corruption. In particular by setting out specific documentary check criteria for legal and integrity requirements that are homogeneous and applicable to the procurement process (from the qualification phase through to awarding individual contracts); identifying operational checks to enhance the preventive tools available to tackle in a rational, organic and specific manner any cases of corruption or the factors that contribute to its spread; promoting a widespread culture of compliance and ethical conduct. An AI system has been added to the above process, as a tool to analyze and mitigate reputational, environmental and social risks, etc., in order to select and constantly monitor suppliers by checking open-source information.

SUPPLIERS

First level suppliers (Tier 1)

2,427
assessed during 2020

36%
of assessed that have been assigned improvement actions

97%
of assessed presented improvement action plans and improved their ESG performance as a consequence

Supplier Performance Management

We assess and monitor the performance of our suppliers – during both the procurement process and the execution of contracts – through the Supplier Performance Management (SPM) process. This aims not only to take corrective actions when necessary, but also to encourage suppliers to improve by incentivizing best practices through reward schemes. The Supplier Performance Management process, governed by a dedicated procedure, 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 and 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 continuation of the contractual relationship in accordance with the applicable local requirements. Monitoring activities are conducted by the various Business Lines with support from the relevant HSE units, where applicable, and the Qualification & Vendor Rating unit. In addition, all individuals who interact with suppliers have the opportunity to express their own assessment using the dedicated "Track & Rate" app.

For suppliers with poor performance, we take specific action that can have an impact on:

- the qualification system (for example suspending the qualification, reviewing the application class, placement on the blacklist, exclusion from the list of qualified suppliers etc.); and/or
- the contract (for example further investigations, improvement action plan, contract termination, reduction in volumes, etc.).

In the event of issues with the conduct of a supplier, an action plan may be drawn up jointly, the execution of which is constantly monitored by Enel.

The SPM process monitored 612 PGs and 7,050 contractors last year (450 PGs and around 2,282 contractors in 2019).

Monitoring systems

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:

- Qualification committee;
- Integrity committee: this includes representatives from Global Procurement, the Legal Function and the Security Function; meetings are held every time an issue arises, such as investigations or proceedings relating to offenses committed by a supplier, and also periodically (usually monthly) to share and analyze situations which require specific actions/sanctions to be applied to suppliers.

Moreover, individual country-specific units ("Contract Controls Area") have been set up to carry out checks on the responsible management of the supply chain and 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.

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 and approaches. 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.

Enel & Suppliers for Sustainable Value: Supplier Development Program e Supplier Journey

Different initiatives have been launched to make the supply chain ever more resilient, and the concept of supplier centricity ever more concrete and tangible.

As an example, the Supplier Development Program started in July 2020 supports the growth of suppliers and, at the same time, contributes to the achievement of our strategic objectives. The program addresses all small- and medium-sized suppliers active in strategic areas seeking to ensure excellent performance, maintained over time, in such areas as safety, timeliness, quality, environment, human rights and fairness, innovability (ability to innovate sustainably) and collaboration. By signing agreements with the principal market players, we make our networking ability and skills available to the supply chain, guaranteeing better than market conditions and making a partial contribution to the services offered in the context of the program.

In addition to dimensional growth, the development objectives promoted involve:

- increased awareness about sustainability and digitalization matters;
- differentiation of the business and consequent reduction in supplier dependence on us;
- increased financial strength;
- internationalization, which helps grow our business outside of Italy and Europe.

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 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.

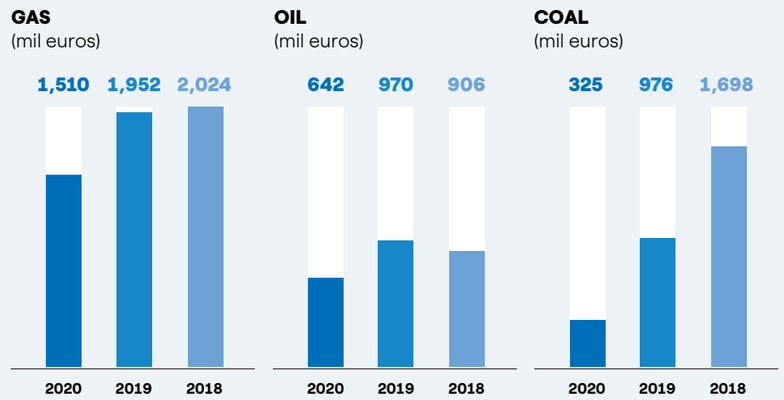
Fuel procurement

102-9 | 103-2 | 103-3

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 OFAC blacklists.
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 Code of Ethics and the Zero Tolerance of 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.

Fuel purchases



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 2020, 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, 14 improvement plans were monitored actively throughout the year, three new reports were published on the assessments made of mining sites, 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.

Priorities

- F Economic and financial value creation
- I Occupational health and safety

Plan

- Occupational health and safety

SDG

Target

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Extra Checking on Site (ECoS) on health and safety (H&S)	**150** ECoS in 2022	**184** EcoS carried out	**ON-PLAN**	**150** ECoS on health and safety and environment in 2023	E S	3
Contractor H&S Assessment and H&S Support	**150** Assessments in 2022	**1,185** Contractor Assessments carried out	**ACHIEVED**	**300** Contractor Assessments and Support on health and safety and environment in 2023	E S	3
Reduction of injury frequency rates compared to prior years (LTIFR)	**0.10** (-29% vs 2019)[1]		**ON-PLAN**	Reduction of injury frequency rates compared to prior years (LTIFR)	S	3
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	• "HSEQ[2] Professional Family Days" held • Country Committees held periodically[3]		**ON-PLAN**	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	S	3
Improvement of the operating assets control system in order to optimize directional strategies, methods of execution, results analysis and the consequent improvement activities	• Digitisation of H&S control and monitoring processes through the development of SH.Suite, systems and digital dashboards • Integration of SHE metrics into the KPI dashboard • Development of SHE. Start which manages information from ECoS, Contractor Assessment, Contractor Support and related management activities		**ON-PLAN**	Improvement of the operating assets control system in order to optimize directional strategies, methods of execution, results analysis and the consequent improvement activities	S	3

(1) This figure is the result of the calculation made using unrounded decimal values and refers to the combined LTIFR, Enel people and contractors.
(2) HSEQ: Health, Safety, Environment, Quality.
(3) The Country Committees are periodic meetings chaired by the Country Manager and attended by all the Directors of the Business Lines and respective HSEQ managers with the aim of facilitating collaboration between the Business Lines and improving Country-level safety.

I Industrial E Environmental S Social G Governance T Technological

Goals

New Redefined Outdated

Global Power Generation at work to guarantee Intrinsic Safety

Each plant is a home. More than 16 thousand people in the Global Power Generation Business Line are committed to making the 1,300 homes (plants) distributed in the world increasingly safer.

What is Intrinsic Safety? Intrinsic safety is an ethical and moral duty towards the people working for the Company and everyone who works together with Enel.
It is also the latest ambitious initiative, which was launched in March 2020 by Global Power Generation in three separate waves, each divided into streams, which concentrate on sharing best practices, improving the Health & Safety processes at all the plants and reviewing the elements that make them up.
This project is active in all 31 countries where GPG operates as well as in the plants that will be put into service over the upcoming months and years as additional capacity. It will be carried out over the 2020-2022 three-year period and intends to make the Group's fleet increasingly safe by analyzing processes and components: from electrical panels to switches, from moving parts to the walkway gratings, with particular focus on the activities connected to the job sites involved with coal phase-out.

Thanks to the data-driven approach, an in-depth analysis was carried out on tens of thousands of safety observations arriving from the plants that, together with the improvement programs that were launched over recent years with various technologies, has made it possible for us to identify the main sectors of intervention. Each wave will be comprised of precise phases: preparing guidelines for identifying the components to be analyzed, mapped and assessed at the plant, defining actions for improvement and technical solutions to be implemented, and finally executing and concretely adopting the action plans that were identified for each plant.
This innovation starts with the hardware aspects, but it would not be able to exist without the most important software of all, people. Our colleagues working at the power plants are in fact the eyes and ears of the Group for each plant, and therefore are the first who can and must suggest activities for improvement.
Also thanks to Intrinsic Safety and frontier technologies for minimizing the risk of injury, Global Power Generation intends to reach the objective of "Zero Injuries".

0.52

COMBINED INJURIES FREQUENCY RATE (FR)

Enel people and contractors, reduced 29% in comparison to 2019

184

EXTRA CHECKING ON SITE (ECoS)

979 thousand

hours

TRAINING ADDRESSED TO [1]

(1) This number includes information, training and instruction provided to Enel people

OCCUPATIONAL HEALTH AND SAFETY

| 103-2 | 103-3 | 102-15 | 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) |

Enel considers the health, safety and psychological and physical well-being of individuals the most precious asset to be protected at all times of life, at work, at home and during leisure time, and is committed to developing and disseminating a robust safety culture throughout the entire perimeter of the Company in order to guarantee a workplace that is free from health and safety hazards. The Group is committed to promoting a culture of health and safety in every country in which it operates. Its objective is to increase awareness of risks and promote responsible behaviors in order to ensure that the activities will be performed with a high level of quality and without injuries, while protecting the health of persons. Enel is also involving contractor companies in the development and awareness programs: each person must feel that they are responsible for their own health and safety as well as for the health and safety of others.

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.

Considering the rapid evolution of the pandemic and its progressive spreading, we have created a **global task force as well as local task forces**, one for each country where we operate, which has made it possible to monitor the progression of the epidemic, using dedicated indicators, and immediately adopt all the measures necessary to protect the health and safety of our colleagues and guarantee the continuity of the supply of essential services.

We have implemented new operating models to minimize the risk of infection, also defining specific prevention protocols, by dynamically re-adapting the activity plan and the defined measures related to the development of the pandemic on a global level.

For all the colleagues whose work can be performed "remotely", since the beginning of the emergency we have made **smart working** possible.

For **operating units** (approximately 13 thousand colleagues) that had to remain in the field, we have applied strict infection containment measures that go far beyond regulatory compliance. In particular, the operating units have been divided into smaller nuclei (elementary cells), that include the smallest number of people technically possible, who are separated by space and/or time. We have performed a stress test on the critical infrastructures on a global scale with the purpose of verifying the possible operation based on different possible infection scenarios and testing the response system defined for the emergency. We have started information and training initiatives targeted towards reminding employees of the main preventive measures to adopt during their work day (safety journey), starting from the moment they leave their home.

Since the start of the epidemic, we have requested our **suppliers** on a global scale to undertake all the actions considered appropriate, with a standard at least equivalent to what has been adopted by the Enel Group, in order to guarantee the health of their employees and to limit infection, both when executing the contracts in force with Group companies as well as during any other occasion when meeting. For this reason, we have sent periodic communications to companies to inform them about the safety protocols and procedures we have defined at our sites and to request all our contractors and service providers working at these sites to implement the measures they contain.

In all the main countries where Enel is present, **flu vaccination programs** were carried out as a health preventive measure and in particular to be able to help quickly identify cases of Covid-19 at an early stage.

We have also supported the communities where we are present with **donations and solidarity initiatives** for the health-care structures and the organizations working on the front line to manage the emergency.

We measure our success by ensuring protection for people who work with us: there is no creation of value without safety for people.

Why is it important for our stakeholders?

The continuous improvement of safety performance objectives is concrete proof of the Company's commitment to pursue sustainable growth objectives in the interest of all stakeholders.

Silvia Fiori

Internal Audit

Why is it important for Enel?

Enel promotes innovation for the achievement of ambitious objectives, being aware that a better future is built on the basis of solid values, first among which is the health and safety of people.

The health and safety system

"**Statement of Commitment to Health and Safety**" and "**Stop Work Policy**", both signed by the Chief Executive Officer, are two documents based on which the Enel Group's commitment is founded.

The Statement 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**, Enel people are required to promptly report and/or stop any risky situation or unsafe behavior by internal or external personnel.

In line with the Code of Ethics, the Statement and the Stop Work Policy, Enel has 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, the check of the effectiveness of the preventive and protective measures, and any corrective measures. In particular, it 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.

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 Lines HSEQ structures orient and support the business in relation to health and safety issues, define improvement plans and monitor their execution.

2020 performance

The combined injury Frequency Rate (FR) for Enel people and contractors in 2020 confirmed the downward trend already recorded in prior years, with a total of 0.52 injuries per million hours worked, a figure that is 29% lower than that of 2019.

In detail, the FR of Enel people decreased, totaling 0.60 injuries per one million hours worked (-33% versus 2019), and also that of contractor personnel, totaling 0.49 injuries per one million hours worked (-26% versus 2019), thus confirming the effectiveness of the strategies adopted and of the safety policies implemented in the Group.

In 2020 there was 1 fatality involving an employee of the Enel Group, in Brazil, and 8 fatalities involving contractors (5 in Brazil, 1 each in Italy, Spain and Colombia). The causes of these 9 fatalities are mainly of electrical type.

In 2020 there were 3 High Consequence injuries involving Enel Group employees and 20 involving contractors, mainly of mechanical type.

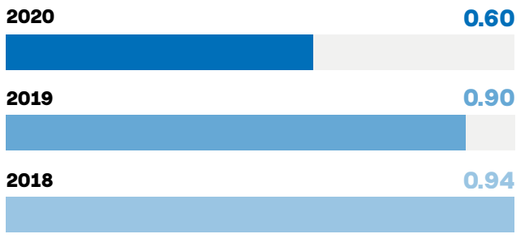
Enel has a specific injuries management policy (Policy 106 "Classification, communication, analysis and reporting of incidents") that defines roles and methods employed to guarantee prompt communication of incidents, ensuring the related causes analysis process, definition of improvement plans, and monitoring of the associated actions depending on the event type. The criteria prescribed by Policy 106 are applicable not only to injuries of high industrial significance but also to minor events, including those not involving personal injuries (near misses). Therefore, all fatalities or severe injuries (or events that could have potentially caused a fatality or severe injury) involving Enel people or the personnel of contractor companies, are analyzed by a group of experts. The improvement actions identified are constantly monitored and followed until the time of completion. If the event analysis reveals serious safety breaches by contractor companies, suitable provisions are adopted (contract termination, suspension of qualification, etc.).

In 2020, the **Extra Checking on Site (ECoS)** activities also continued with 184 ECoS that were performed with the aid of digital remote control solutions, in spite of the emergency context determined by the Covid-19 pandemic. The purpose of the ECoS is to assess adequacy of the organization and processes implemented in a specific operational area. These checks are carried out by expert HSEQ personnel external to the operating units affected by the investigation, assisted by technical profiles speci-

PEOPLE Enel

INJURY FREQUENCY RATE (1)

(i)



LTIFR(2)

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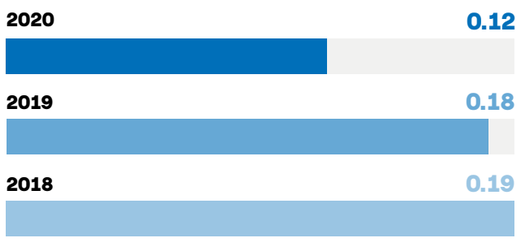
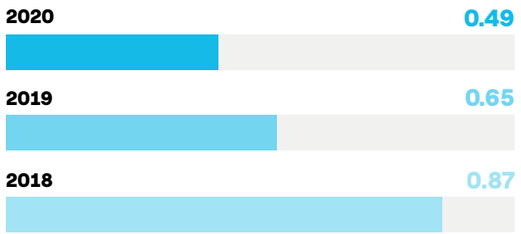


PEOPLE Contractors

INJURY FREQUENCY RATE(1)

(i)



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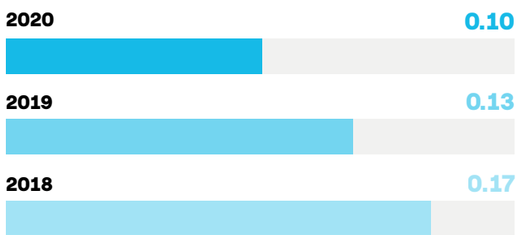


(1) This index is calculated by establishing the ratio between the number of injuries (all injuries, also those with 3 days of absence or less) and hours worked/1,000,000.

(2) The Lost Time Injury Frequency Rate is calculated by relating the number of injuries with hours worked * 200,000.

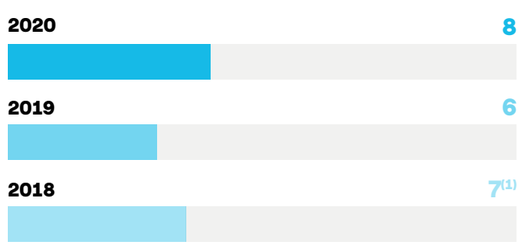
PEOPLE Enel

FATALITIES
(no.)

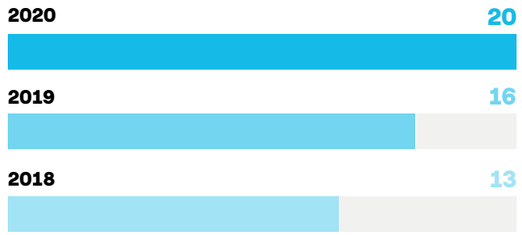
HIGH CONSEQUENCE INJURIES [2]
(no.)

PEOPLE Contractors

FATALITIES
(no.)



HIGH CONSEQUENCE INJURIES[2]
(no.)



(1) Considering all the areas in which the Group operates and the activities managed, including the companies consolidated using the equity method and the companies for which the BSO (Build, Sell and Operate) mechanism was applied, the total number of fatalities is equal to 8.

(2) Sum of: injuries that, as of December 31, 2020 resulted in more than 6 months of absence from work; injuries that as of December 31, 2020 are still open and are considered severe (initial prognosis > 30 days); injuries categorized as "Life Changing Accidents" (LCA), regardless of the number of days of absence from work related to them.

fic to the business, and they make it possible to define adequately monitored corrective actions for preventive purposes.

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).

A specific "HSE Terms" document has been prepared and attached to all contracts since last year; the document in question 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 contractor must respect, placing the same obligation on its subcontractors. Any violation of the contractual conditions in question will produce specific penalties up to termination of the contract and/or suspension of qualification.

The **Contractor Assessments** also continued in 2020, which are specific assessments regarding safety issues carried out on the premises of the suppliers as well as at their job sites. In spite of the Covid-19 emergency, 1,185 Contractor Assessments were carried out in total for the different Enel Business Lines and Countries and Regions. The assessments are carried out during the qualification phase for each new vendor, or in cases in which criticalities emerge (severe injuries or fatalities) or low SMP rating scores.

2020 was also the year for additional extension and development of a structured and "data-driven" approach for supplier assessment, also thanks to the safety metric that was defined for measuring the managerial and operational performance of companies. 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, has been applied extensively 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 an objective assessment and implement consequence management for our suppliers.

Periodic multidisciplinary meetings (Evaluation Groups), with the purpose of evaluating the safety performance of suppliers, were held in all the Business Lines and Countries and Regions in order to define targeted actions and customized accompaniment and support plans for companies to ensure that the desired safety standards will be reached.

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 2020 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, i.e. portable devices designed to identify electrical voltage on low- and medium-voltage power lines located at operationally significant distances from the worker but not necessarily involved in the activity in progress, have been adopted in the Infrastructure and Networks area. Promoted initiatives include an application that uses uploaded confirmation photos to guarantee that all activities calling for preparatory electrical disconnection of live parts have been carried out in full compliance with the globally adopted rules to ensure complete safety.

Within the scope of the "Intrinsic Safety" program, which was implemented with synergy and co-design between various Enel Global Business Lines and Holding Functions, many innovative projects were created in 2020, such as:

- "**AI4Lifting**", which uses Artificial Intelligence to detect any potential situations of danger when handling loads;
- "**Smart Access**", a hardware and software system for managing accesses to work areas in order to provide access only to authorized personnel, while also offering support to guarantee the correct fulfilment of the safety standards and procedures during the various work phases;
- "**Hop Safe**", a system that allows personnel to use a ladder when working at a height only when they are properly connected to the life line.

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 with underground service lines, and for the monitoring of health conditions during work activities, in order to prevent and/or quickly manage potential situations of danger and/or emergency.

Health

| 403-3 |

The Enel Group has 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 program aimed at preventing the onset of illnesses and guarantees the availability of medical services.

An initiative for strengthening the digitalization of the employee health surveillance process was started in Italy during the 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, a policy is planned on a global level for the prevention of local diseases and to provide support in the case of illness or injuries while abroad. There is also a smartphone application that provides indications about travel information, vaccination guidelines and a global insurance policy for all personnel travelling abroad, which also includes health coverage in the case of epidemics and pandemics. 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 Enel 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. A listening and psychological support service was started during this year which will remain active independently of the health emergency, the purpose of which is to provide employees with a customized help program in an anonymous, free and confidential manner.
Moreover, the Enel Group implements a systematic and continuous process for identifying and evaluating correlated work stress risks, in compliance with the "Stress at Work Prevention and Well-being at Work Promotion" Policy. This allows 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.
The Group provides its 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.
Finally, with regard to the Covid emergency, a new Covid-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.

Development of safety culture: training and information

EU18

Several health and safety communication campaigns were carried out in the year concerning areas of specific attention for the Company, based both on the publication of information on the company intranet, and on specific services on Enel TV and Enel Radio.
Overall, 49,307 Enel employees received approximately 980 thousand training hours in 2020, in addition to information and training activities on safety, with the purpose of increasing the know-how and specific skills of workers throughout the Group.
The **SHE project** was further implemented in 2020: what started as an initiative shared among all the countries has become a real company process that Enel intends to promote in four dimensions, as illustrated below.
First of all "**HSE without borders**": a true example of integration. Reducing distances to share topics, solutions and good practices, promoting integration and co-design on all levels through feasible collaboration.
Rethinking our assets and processes from a safety point of view: "**Intrinsic safety: equipment, tools and processes**". Mapping and adapting plants, equipment and work methods to limit or eliminate the possibility of errors, thereby increasing the level of safety.
Particular attention is also placed on Enel suppliers with the "**Partnership for safety, heath and the environment**", which focuses on assisting Enel partners in adapting their company standards regarding HSE, with assessments and collaboration opportunities in the field. Furthermore, informational meetings are planned for all employees of the contracting companies who access Group plants before carrying out their work. The purpose of these meetings is to inform the workers of the specific risks connected with the work environment and of any additional risks related to other activities carried out in the same environments. These meetings, which only provide information, involve construction work sites and operation and maintenance activities, and are included among the consolidated risk prevention and protection activities.
Finally, **SHE Factory**, created with the precise objective of promoting a way to work that is safer for (and between) Enel people, also including suppliers, and more sustainable as regards the environment. It is a model that aims to spread a different cultural approach to HSE 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.
Communications on the global level in relation to health and safety were focused on topics concerning personal health and the most common pathologies.

Safety of communities and third parties

103-2 | 103-3 | 416-1 | EU25

Enel's 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 standards.

In order to guarantee 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 such as measurement of the electromagnetic fields of power networks, noise levels, vibration and dust created by the electrical machines of power plants and distribution and transformer 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 wastes, soil quality, biodiversity impacts.
Considerable attention has been devoted to preventing harmful events involving members of the public who accidentally come into contact with electricity networks due to activities such as job sites near transmission lines or sports and leisure pursuits (fishing, flying kites, etc.). A large number of awareness campaigns have been conducted, addressed both to the general public and to specific categories (construction companies, sports associations, etc.).

Emergencies management

DMA EU (former EU21)

Enel has a common crisis and critical events management system across the various countries in which the Group is present. This global management 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 with regard to the level of risk identified for the destination country.

At the end of 2020, in the area of the Holding HSEQ Function, the HSE Emergency Management unit was created, which focuses on Health, Safety and Environment emergencies in order to ensure integration and continuous alignment when defining strategies and when managing emergency events on a Business Line and Country level. In fact, the progression of the pandemic and its spreading all over the world has raised awareness that the emergency will be continuing for a long period of time and that it is therefore necessary to pass from a management approach based on global and local task forces to the definition of an HSE emergency management process that is integrated in the company organization, through the establishment of a dedicated unit.

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).

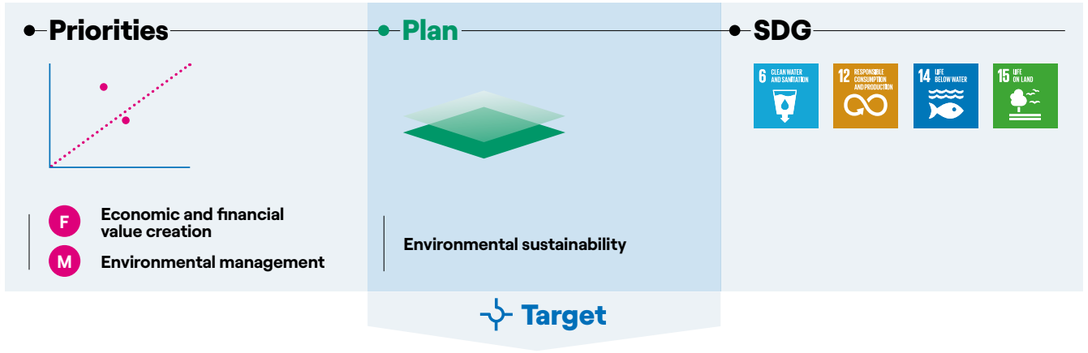
Industrial relations on health and safety issues

103-2 | 103-3 | 403-1 | 403-4

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, and 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	Joint committees for health and safety
italy	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.
Russia	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.
Romania	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.
Spain	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*.
Argentina	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.
Chile	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.
Peru	We have bilateral committees (workers and company representatives) that approve occupational health and safety policies according to law.
Brazil	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.
Colombia	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	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Reduction of specific SO_2 emissions	**-85%** in 2030 compared to the baseline year 2017	**-88%** compared to 2017 (0.10 g/kWh)	**ACHIEVED**	**-94%** in 2030 compared to the baseline year 2017[1]	E	12
Reduction of specific NO_x emissions	**-50%** in 2030 compared to the baseline year 2017	**-54%** compared to 2017 (0.36 g/kWh)	**ACHIEVED**	**-70%** in 2030 compared to the baseline year 2017[1]	E	12
Reduction of specific dust emissions	**-95%** in 2030 compared to the baseline year 2017	**-96%** compared to 2017 (0.01 g/kWh)	**ACHIEVED**	**-98%** in 2030 compared to the baseline year 2017[1]	E	12
Reduction of specific water extraction[2]	**-50%** in 2030 compared to the baseline year 2017	**-55%** compared to 2017 (0.20 l/kWh)	**ACHIEVED**	**-65%** in 2030 compared to the baseline year 2017[1]	E	6 12
Reduction of waste products	**-40%** in 2030 compared to the baseline year 2017	**-87%** compared to 2017 (1.2 Mt)	**ACHIEVED**	**-87%**[3] in 2030 compared to the baseline year 2017[1]	E	12

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
"ZERO Plastic" project - Reduction of single-use plastics at Enel Group sites[4]	• Launch of the programme to reduce single-use plastics across all Countries and Regions and definition of an overall target by 2022 • Enel sites in Italy[5]: **-91%** by 2021 • Enel sites in Spain: **-65%** by 2021	• Analysis of the solutions developed in the new scenario impacted by the current pandemic, and assessment of the potential for reducing the use of single-use plastics • Definition of the integration programme in all of the Group's countries and regions with a focus on offices • Enel sites in Italy[5]: **-75%** by 2020[6] • Enel sites in Spain: **-64%** by 2020[6]	**ON-PLAN**	• 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[5]: **-85%** by 2023 • Enel sites in Spain: **-75%** by 2023	E	12
Minimising the impact of Enel sites on habitats and species included on the Red List of the International Union for Conservation of Nature (IUCN)				• 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	E G	14 15

I Industrial E Environmental S Social G Governance T Technological

Goals: New, Redefined, Outdated

(1) Targets redefined in line with the new target to reduce Scope 1 specific emissions by 2030, certified by the Science-Based Targets initiative.
(2) Extractions considered net of the portion of water discarded into the sea after the desalination process (brine).
(3) These targets exclude waste produced by the decommissioning of thermal plants.
(4) Compared to the volume of single-use plastics used in 2018.
(5) This does not include offices with fewer than 20 employees.
(6) Reduction calculated based on office occupancy and pandemic contingencies.

0.10 g/kWh
SPECIFIC EMISSIONS OF SO_2

0.36 g/kWh
SPECIFIC EMISSIONS OF NO_x

0.01 g/kWh
SPECIFIC EMISSIONS OF DUST

0.20 l/kWh
SPECIFIC WATER NEEDS

1.2 mln t
TONS OF WASTE PRODUCED

65.7 %
TOTAL WASTE RECOVERED

187
PROJECTS
for the protection of biodiversity

ENVIRONMENTAL SUSTAINABILITY

The protection of the environment and of natural resources, as well as the need to combat climate change are, for us, strategic factors in the planning, operation and development of our activities for promoting sustainable economic development in the communities where we work, as well as key factors for consolidating the Company's leadership in the energy markets.
For this reason, as early as 1996 we adopted a Group environmental policy, updated in 2018, that is applied throughout the Company's structure and in the entire value chain[1]. The full policy content is shown below in the present chapter.

Environmental governance

| 103-2 | 103-3 |

To ensure **constant oversight and monitoring**, activities of environmental relevance are managed through a widespread and harmonized organization, as regards the general guidelines for environmental policy, from a central Holding unit, which, in the Business Lines and Global Service Functions, is flanked by structures, dedicated personnel and managers who ensure adoption of the common strategic lines and guidelines. In particular, Staff Functions coordinate the management of relevant environmental issues, ensuring the necessary specialist support in line with Holding guidelines, whilst the operating units manage specific aspects related to the various industrial sites. To support the environmental performance monitoring activities and the definition of improvement plans for the operating units of the Business Lines, in 2019 the Group environmental reporting system, **Enel Data on Environment (EDEN)**, was renewed and was further updated in 2020.

(1) 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; 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.

The protection of natural capital and of biodiversity are an integral part of our power generation strategy.

Salvatore Bernabei

Global Power Generation

Why is it important for our stakeholders?

Because every power generation plant is 'the guest' of a local area. Protecting its biodiversity and its natural capital means respecting the community with which it cohabits.

Why is it important for Enel?

Because only an electric power plant that sits harmoniously in the natural context in which it is located is truly sustainable and capable of generating value in the long term.

Environmental Management Systems

Application of the ISO 14001 certified **Environmental Management Systems (EMS)** is one of the strategic tools defined by the environmental policy. At the end of 2020, EMSs were activated and certified on almost all operating assets, while for the new plants and installations preparatory activities for certification are progressively planned. Given the complexity and variety of activities carried out in the Group, an ISO 14001:2015 certified modular approach, with the definition of a management system at Holding level, and which provides direction and coordination to the Business Lines on environmental themes, has been adopted.
Each Business Line has launched its own EMS focused on specific activities. Furthermore, the main thermal and geothermal production sites in Europe also have EMAS (Eco-Management and Audit Scheme) registration. In compliance with the four fundamental pillars underpinning our environmental policy, specifically in terms of our commitment towards "protecting the environment by preventing adverse effects", the Group "**Stop Work Policy**" asks all people who work for us to intervene promptly and stop working when risks arise that affect not only their own health and safety but also the environment.
Training is one of the strategic objectives of the Group's policy and forms an integral part of the EMS. In 2020, around 48,000 hours were dedicated to training, an increase of 46% approximately compared to 2019, especially in Italy and South America, and which concerned, for example, topics on water and waste management, environmental restoration and prevention activities. Moreover in 2020, an environmental training program commenced targeted at increasing the expertise and responsibility for operations of technical personnel, in order to ensure the same skills and operational standards in all countries where the Group operates. The program will continue throughout 2021. **Awareness raising days** were also held on the topics of the energy transition, environmental risk management, and the value of correct management of environmental data.

ENVIRONMENT 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, which is based on **four fundamental principles mentali:**

1. Protecting the environment by preventing impacts;
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-recognised Environmental Management Systems to the whole organisation, underpinned by the principle of ongoing improvement and adoption of environmental indices to measure the environmental performance of the whole organisation.

a. Annual compliance with ISO certifications 14001 and extension to the entire scope of the Group's activities.

b. To streamline and harmonise certifications in the various organisational areas; seeking out partnerships and sharing best practices in environmental management.

Chapter: "Environmental sustainability"

2. To reduce environmental impacts by using the best available technologies and best practices in the construction, implementation and decommissioning stages of installations, with a view to life cycle analysis and circular economy.

a. Assessing the environmental impact caused by the construction of installations or by major restructuring.

b. Examining and applying Best Available Technologies (BAT).

c. Protecting and monitoring surface and groundwater quality in the areas surrounding the plants.

d. Internal development and application of international best practices.

Chapter: "Environmental sustainability"- "Net-zero ambition"

3. To build infrastructure and buildings that protect the local area and biodiversity.

a. Developing and updating a Biodiversity Action Plan.

b. Developing biodiversity protection projects taking into account the specific aspects of local environments (conservation of protected species habitats, reintroduction of particular species, replanting indigenous flora in collaboration with research centres and nature observatories).

c. Implementing biomonitoring activities (terrestrial, marine, river).

d. Using technology to protect biodiversity.

e. Mitigating the visual and landscape impact caused by production and distribution facilities.

Chapter: "Environmental sustainability"

4. To play a leadership role in renewables and low-emission electricity generation and efficient use of energy, water and raw material resources.

a. Gradually expanding generation capacity from renewable sources.

b. Improving the efficiency of production facilities.

c. Reducing network losses tied to electricity distribution.

d. Efficient management of water resources for industrial uses, with a particular focus on water stress areas.

e. Drawing value from power plants by-products such as raw materials in external production processes.

f. Encouraging energy-efficient services and products in end use.

Chapter: "Environmental sustainability" "Net-zero ambition"

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 rate of the waste and drain water produced.

d. Carefully selecting disposal service providers, and using IT systems for waste traceability.

Chapter: "Environmental sustainability"

6. Developing innovative technologies for the environment.

a. Implementing systems to boost the plants' 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 generation (photovoltaic, geothermal, wind, energy from the sea), integrated with energy storage systems.

d. Promoting and developing electric mobility.

Chapter: "Environmental sustainability"

7. To communicate with citizens, institutions and other stakeholders about the Company's environmental performance.

a. Publication of the Sustainability Report and open data access to the Group's key environmental parameters.

b. Communicating with financial analysts and taking part in various sustainability indices.

c. Consulting with and engaging local stakeholders.

d. Disseminating environmental initiatives online.

Chapter: "Environmental sustainability" -"Net zero ambition"

8. To provide employee training and raise awareness on environmental issues.

a. Training on environmental issues.

b. Engaging employees in campaigns to support the environment.

Chapter: "Environmental sustainability"

9. To promote sustainable environmental practices with suppliers, contractors and customers.

a. Applying supplier assessment criteria based on environmental performance.

b. Information/training meetings on relevant environmental aspects at the start of the works.

c. Assessing suppliers based on their environmental performance in activities carried out on behalf of Enel.

Chapter: "Environmental sustainability" "Sustainable supply chain"

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.

Chapter: "Environmental sustainability"

Environmental risk analysis

| 102-15 |

In order to identify and minimize environmental risks related to our activities, we also apply a series of important assessment and intervention tools at Group level working in synergy to protect the environment.

- **Group Policy for the classification and analysis of environmental accidents**. Environmental accidents 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 targets (ecosystems and protected areas), in addition to their negative impact on the organization itself. The policy sets out 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 operating sites and to the staff Functions in all geographical areas in which we operate, with a unique model of shared, organic and homogeneous analysis. The analysis ensures efficient identification, classification and management of risks and opportunities for the environment and for the organization, with an approach progressively encompassing the entire life cycle, and which involves the assessment of the interactions with environmental matrices and of the checks adopted for regulatory compliance of more stringent voluntary targets of continuous improvement, as well as environmental aspects linked to governance and strategic guidelines carried out by the central Functions of the organization.
- **Extra Checking on Site (ECoS) Policy**. The ECoS is a tool for the planning and carrying out of on-site visits by teams of inter-divisional experts to support operating plants and facilities. This initiative aims to set out an initiative targeted at the definition of improvement plans and the sharing of best practices. In 2020, the different Business Lines across all the Countries in which the Group operates realized over 60 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 an environmental assessment procedure of suppliers that is structured and homogeneous for the entire Group, and that can be activated in the supplier qualification phase, specifically for those providing environmentally critical risk activities, or following important environmental events, for the identification of improvements under the responsibility of the supplier itself.

ERA – Environmental Risk Assessment

During 2020 the process of environmental risk analysis was completely digitalized through the realization and adoption at Group level of an IT tool named ERA (Environmental Risk Assessment).
On the one hand, ERA facilitates the application of a common taxonomy and methodology in the entire Enel Group for the classification and assessment of environmental risks (and opportunities) and, on the other, the integration of the risk control process and that of continuous improvement of environmental performances between the different levels of the organization.
The model means that risk analysis can be carried out at single unit level (plant, local district or workplace), through the assessment of the interaction of operating assets and of processes with environmental matrices, and to assess, therefore, the robustness of the controls adopted (both mandatory and voluntary), in line with the provisions of the Environmental Management Systems. At global and Country level, the analysis is propaedeutic to the detection of the most significant risks, as well as to the aggregate assessment using synthetic risk indicators, thanks to which it is possible to define a prioritization of interventions and of resources for the definition of specific plans. Thanks to the evidence emerging from the analysis of any possible environmental accidents and from periodical environmental visits to the different sites (ECoS), it is possible to monitor and update the assessments made and the efficiency of the actions adopted.

Emissions

| 305-1 | 305-7 |

The reduction of the environmental impacts associated with the operation of our plants is a strategic objective for us, through the application of the best available technologies and of best international practices. Specifically, with reference to CO_2 emissions and to the main pollutants, during 2020 there was a net reduction both of total and specific values, was mainly due to lower thermal production, in particular coal, compared to 2019; this was on account of the sale of the Russian coal-fired plant at Reftinskaya on October 1, 2019 and its ensuing exit from the scope of consolidation, and to the shutdown of the Tarapacá group in Chile on December 31, 2019, as well as a decrease in production of the plants still active. Furthermore, in 2020, in line with Company's process of decarbonization, the coal-fired plants of Compostilla and Teruel in Spain were shut down, as were unit 2 of the Brindisi plant in Italy and unit 1 of the Bocamina plant in Chile.

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, through the progressive growth of renewable energy sources generation capacity and improvement of the efficiency of infrastructures. In particular, greenhouse gases from industrial activities can be mainly traced back to carbon dioxide (CO_2) emissions from thermal plants and to a lesser extent to sulfur hexafluoride (SF_6) losses across the distribution network. Specific CO_2 emissions (Scope 1) in 2020 amounted to 214 g/kWh[2] (-28% compared to 2019), in line with the target certified by the Science Based Targets initiative which the Group has set for 2030. For further details on greenhouse gas emissions, please refer to the chapter "Net-zero ambition".

(2) Value related only to consolidated production. In relation to the overall value of the capacity managed, CO_2 emissions amount to 205 g/kWh.

SO_2, NO_x and dust

| 103-2 | 103-3 | 305-7 |

Our commitment to improving the air quality in areas where we operate is testified by the great care we pay to the constant reduction of the main atmospheric pollutants associated with thermal production: **sulfur oxides (SO_2), nitrogen oxides (NO_x)**, and **dust**. To this end, over the years various measures have been taken to improve environmental performances on specific thermal plants, resulting from an analysis, beginning from best technologies and international practices, then taking into consideration factors such as context and local priorities, the plant's operation mode, seen as annual operating hours, current plant configuration and the prospects of productive life. During 2020, total interventions amounted to 54 million euros, of which 6.5 million euros on coal-fired plants. The reduction of investments on coal-fired plants, compared to previous years, is linked to the progressive strategy of abandoning this technology.
With respect to actual data in 2017, beginning last year the Group set further targets related to the reduction of specific emissions of atmospheric pollutants by 2030, further strengthened this year. These new targets see specific emissions in 2030 of 0.05 g/kWh for SO_2 (-94% compared to 2017), 0.24 g/kWh for NO_x (-70% compared to 2017) and 0.005 g/kWh for dusts (-98% compared to 2017). Pollutant reduction trends and targets are consistent with Group decarbonization targets, in as much as they are linked to the same industrial plans.
Emission measurements are carried out in compliance 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 2020 emissions were down compared to 2019 for all the main pollutants in both absolute and specific terms, due to the already mentioned lower production from fossil fuels and the performance of multiple efficiency enhancing measures implemented on all plants in operation. Specifically, **SO_2 emissions totaled 0.10 g/kWh (-88% compared to 2017), NO_x emissions 0.36 g/kWh (-54% compared to 2017) and dust 0.01 g/kWh (-96% compared to 2017).**

TARGETS

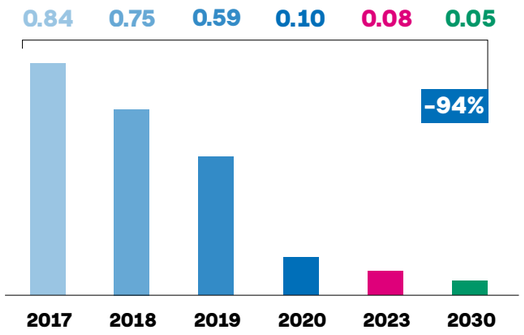
Reduction of our main emissions

SO_2
-94%

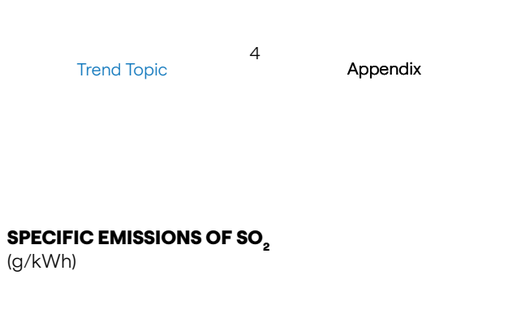
NO_x
-70%

DUST
-98%

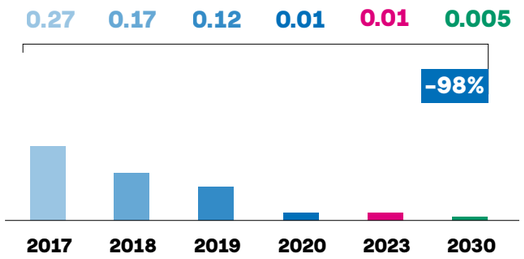
SPECIFIC EMISSIONS OF SO_2
(g/kWh)



SPECIFIC EMISSIONS OF NO_x
(g/kWh)



DUST
(g/kWh)



Energy

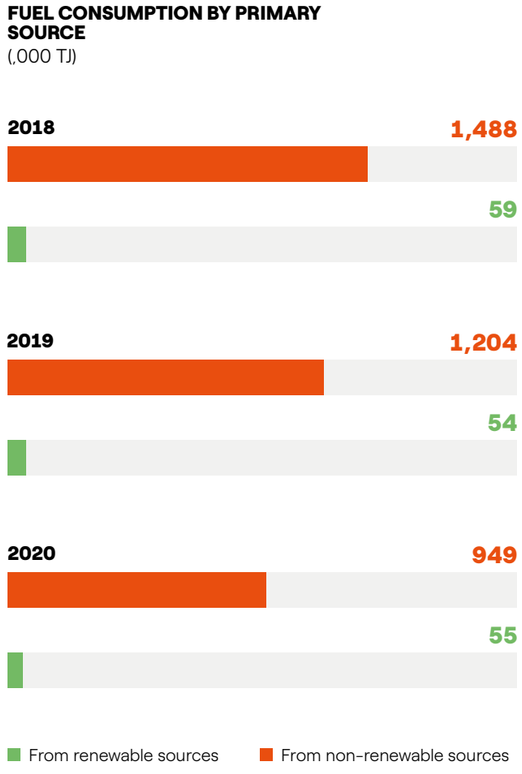
| 103-2 | 103-3 | 302-1 | 302-3 | 302-4 |

Energy efficiency in production processes

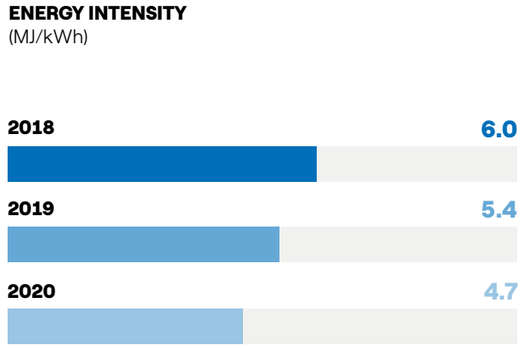
Using energy in an efficient manner is, for us, a constant commitment in the entire value chain, from generation to distribution; in particular, the strategy of reduction of consumption entails investments to increase the energy efficiency of our activities, from actions to maximize the efficiency of generation plants (thermal, nuclear and renewables) to the operational improvement of the distribution grid, but also through the diffusion of greater awareness in behaviors (see also the chapter "Net-zero ambition"). 2020 saw the continuation of process efficiency activities, followed by the implementation of operational excellence programs across the various Business Lines. Energy consumption is mainly related to fossil fuels to operate thermal power plants and by uranium to operate nuclear power plants. A limited amount of energy consumption is related to the operation of renewable energy power plants (biomass and geothermal).

The overall direct consumption of fuels for the production of electricity is 1,004,052 TJ (23.9 Mtoe). During the year there was a 21% reduction compared to 2019 of energy consumption of fuel, a difference that reflects the important decrease of generation from coal with the consequent lower contribution of this fuel. The **Group's energy intensity**, which provides a measure of its operational efficiency, **in 2020 was 4.7 MJ/kWh**, down approximately 13% compared to the previous year.

FUEL CONSUMPTION BY PRIMARY SOURCE
(,000 TJ)



ENERGY INTENSITY
(MJ/kWh)



As per last year, again in 2020 a variety of initiatives were undertaken in terms of energy efficiency in all Business Lines, both for operating assets and in buildings.

Energy efficiency in the management of buildings

For us, the strategy of energy efficiency is not limited to operating sites, but also extends to the environmental sustainability of Company administrative offices. For this reason, we have equipped ourselves with a workplace handbook that collects the measures and technical references considered useful and necessary for the construction of workplaces. The fundamental principle that guides the creation of a workplace environment is, for us, care for people and for the broadest ecosystem in which they work, including also the environmental, social and economic context. Indeed, sustainability represents a fundamental driver for the design of our plants and offices, as well as for their use and end-of-life management and, through models such as that of the circular economy[3], sustainability also contributes to an improvement in the quality of the external ecosystem by reducing environmental impacts and creating both economic and social value. For the purposes of ensuring the environmental sustainability of a building over its entire life cycle, the following criteria are adopted

- use of circular materials and products that have low and sustainable emissions, and that come with environmental certifications, among which Life Cycle Assessment (LCA), Environmental Product Declaration (EPD) and Cradle to Cradle (C2C);
- minimization of environmental impacts through the reduction of waste production and its reuse, sustainable management of water resources, containment and control of atmospheric emissions, air quality and noise;
- identification of methods for the extension of the useful life of buildings and plants, through the modular design of spaces, which allows their reconfiguration to meet new needs;
- an increase of the use factor of the building and of equipment present, through mechanisms of sharing and product as a service;
- achievement, for the realization of new buildings or the restructuring of our existing buildings, of LEED and WEEL certifications. In the case of leased buildings, LEED certification is required of the property owner.

With particular reference to energy efficiency, where possible the following criteria are adopted;

- installation of all the renewable energy sources available (photovoltaic, solar thermal, groundwater, cogeneration/intercalations) and the possibility of connecting to district heating and district cooling systems;
- use of technologies that facilitate qualification of the building as a "Nearly Zero Energy Building", or better;
- adoption of technologies with high energy efficiency (for example, Energy Star certification), favoring, where possible, technologies and equipment that ensure outputs which are over 25% higher than the market standard;
- reduction of energy consumption for the production of domestic hot water with the use of renewables such as to ensure at least 50% of demand, favoring, where convenient, centralized production systems;
- adoption of Energy Management Systems that facilitate continuous control of energy consumption.

Energy efficient products for customers

In 2020, thanks to interventions of Enel X in relation to efficiency and technological innovation on public lighting systems, in Italy around 58 Gwh were saved and in Spain about 29 GWh, corresponding to a total of over 22,000 t of CO_2 saved. Again in 2020, around 25,000 high energy efficiency products were installed in Italy, among which condensing boilers, air conditioners and photovoltaic plants with storage systems, and about 55,000 globally between Europe and Latin America, thus avoiding atmospheric emissions of approximately 10,000 t of CO_2 in Italy and 15,000 t globally.

The project for redevelopment of the Enel office in Viale Regina Margherita (Rome, Italy)

The redevelopment of our Headquarters, which will last some 40 months, involves an overall surface of around 80,000 mq, with a project based on innovative and sustainable principles and which aims to reduce consumption and increase the wellbeing of our people, through modern and comfortable workplaces. The objective is to design a new "work space" where people can find the environments and technical solutions to carry out their work to the best of their abilities. Lighting and air conditioning systems, for example, will mean more comfortable conditions, and the quality of the air will be ensured through the realization of bioclimatic glasshouses. The distribution of spaces will ensure alternation of workplace environments with indoor and outdoor green spaces and areas dedicated to psycho-physical wellbeing. The rationalization of layouts will lead to a more space for services for people, including a gym, that will be added to already existing facilities (kindergarten, refreshment areas, auditorium). The level of sustainability and comfort of the building will be submitted for verification to external international certification bodies, with the objective, in particular, of obtaining LEED and WELL certifications respectively for the objectives of sustainability and wellbeing promoted, achieved and perceived.

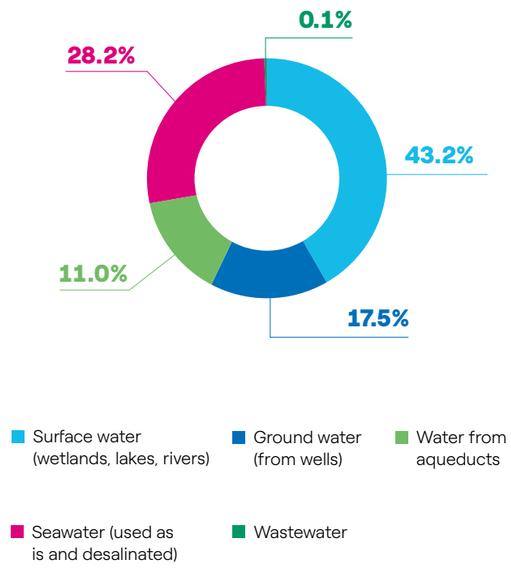
Water

103-2 | 103-3 | 303-1 | 303-2 | 303-3

The responsible use of water resources and their protection is 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. For this reason, it is one of the strategic objectives of our environmental policy, which pursues the adoption of an integrated approach for its optimal management.

The Group withdraws water primarily for industrial needs and uses it largely for thermal and nuclear generation, for the cooling of thermal cycles, or for atmospheric 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 civil use). Where locally permitted, we use, as incoming water resources for our own processes, treated waste waters, typically supplied by water management consortia. In the international context, since 2014 Enel has been among the endorsing companies of the CEO Water Mandate, an initiative of the UN Global Compact devised to support companies in the development, implementation and disclosure of practices and policies concerning the sustainable management of water.

WATER WITHDRAWALS BY SOURCE 2020
(51.5 Mm^3)



Efficient use of water resources

In 2020 the overall **withdrawal**[4] of **process and closed-cycle cooling water** was 51.5 **Mm^3**, a reduction of around 54% compared to 2017, while specific water withdrawal were 0.20 l/kWh (down 55% compared to 2017 and in line with the Group's water requirement reduction target). This reduction is mainly due to lower thermal production, in particular coal-fired.

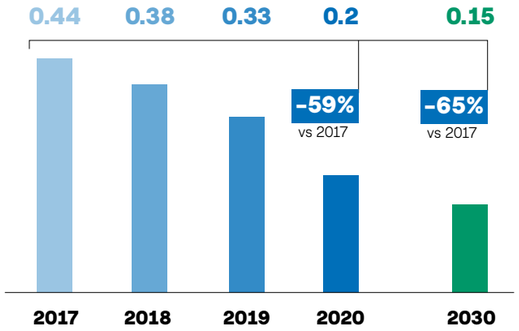
We have energetically pursued the objective of reducing our **specific water withdrawals** as early as 2010, a commitment renewed in 2020, reducing further the previously set objective up to a reduction of 65% in 2030 compared to the value in 2017. This renewed commitment is based on the results reached and on the Industrial Plan, which provides for efficiency in the use of water in existing thermal plants, the evolution of the energy mix towards renewables, and the progressive reduction of generation from fossil fuels.

(3) Please refer also to the chapter "Circular economy".

(4) The specific water withdrawal is composed 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 withdrawals.

TARGETS

SPECIFIC WATER WITHDRAWALS
(l/kWh)



The Group is committed to the progressive reduction of its water needs in all of its production processes, where possible promoting its internal reuse. Among the optimization interventions realized, in some coal-fired power stations the blowdown from the closed-circuit cooling towers is reused in desulphurization plants, whereas the use of crystallizers downstream of the desulphurizers allows for the total recovery of the wastewater. Furthermore, in other plants the storage tanks have been destined to the collection of rainwater, in this way making it available for process needs. Further, we are constantly monitoring all our production sites located in zones at risk of **water scarcity** (water stressed areas) in order to ensure that water resources can be managed as efficiently as possible. Mapping of production 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[5]. Among the sites identified, those defined as "critical" are those positioned in water stressed areas and which withdraw fresh water for process needs; for these sites, therefore, methods for managing water resources are analyzed for the purposes of minimizing consumption and maximizing withdrawals from sources of lower quality or which are non-scarce (wastewater, industrial or seawater).

In 2020, approximately 11% of the total energy produced by the Enel Group used freshwater in "water stressed" areas[6]. In these areas, withdrawals from scarce sources amounted to 11 Mm^3, with a reduction of 39% compared to 2019 (18 Mm3 ([7])).

The percentage of water withdrawn in water stress areas[6] is 22.9% of total withdrawals in 2020, down compared to 2019 (25.4%).

The important expansion of the solar power plants, naturally destined for location also in "water stressed" areas, has highlighted a new use of water connected with the cleaning of dust deposits on the surfaces of photovoltaic panels. Although dealing with very small volumes, for these plants Enel has adopted innovative solutions targeted at further reducing water needs.

In 2020, the Global Power Generation launched the WaVE (Water Value Enhancement) project with the aim of mapping needs and water withdrawal sources in all of its thermal and renewables production sites in order to set new objectives to reduce its water footprint through the planning of a series of specific and innovative improvement actions, with particular reference to water stressed areas.

(5) 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%). 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".

(6) The percentage of energy produced 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.

(7) The previously described WRI criteria have led, in most geographical zones where the Group is present, to a significant broadening of the areas placed in water stress conditions and, consequently, the values of the preceding Company indicators have been recalculated compared to the previous year, when the same classification was used through the use of the Global Water Tool of World Business Council for Sustainable Development. The value of consumption in 2019 was therefore recalculated with respect to the new criterion.

WaVE Project

Washing "without water" of photovoltaic panels in Peru and Chile

The Rubí solar plant (145 MW) is located in the Moquegua district in Peru, in a zone classified as being of high water stress and at an altitude of 1,481 meters. The reduction in withdrawals of water for the washing of panels was here pursued through the adoption of software that, by measuring the loss of efficiency of each panel, estimates the surface deposit of dust and programs washing priorities. For the periodical washing of the panels, a dry technology was therefore chosen, which uses mechanized brushing systems, thus reducing washing with water to just once a year. Finally, in order to satisfy this latter need, a device was installed that is capable of condensing atmospheric moisture, from which the necessary water is obtained. The adoption of these solutions, with the envisaged execution during the year of five dry washing cycles and only one with water condensed from the air, ensures, on the one hand, the energy efficiency of the plant and, on the other, its complete autonomy from the scarce water resources available, which in this way are reserved for the priority needs of the local population.

An equally important challenge is the one we have undertaken on the solar plants in Pampa Norte, Lalackama, Finis Terrae and Chañares (358 MW overall), situated on the Atacama plateau in Chile, a desert zone at a height ranging from 2,400 to 4,200 meters. Here, in 2020, an innovation project was launched for the recovery of water contained in night mists, typical of the area, identifying the most suitable areas for this type of recovery and testing the performances of diverse capture technology solutions. The final objective, even in this case, is to reduce to zero the procurement from natural sources of the water needed for the solar panel washing and to achieve an overproduction to destine towards other uses, to the benefit of the local community.

Another simple and brilliant technological solution implemented on all solar plants in Chile has concerned changing their night positioning (solar night parking). Having changed their inclination during the day to maximize exposure to the sun, the solar tracking plants are normally made park in a horizontal position during the night. This is a configuration assigned by international manufacturers in order to reduce exposure to the wind, considered the main risk factor for the plant. But in the Atacama desert, where the main danger is the dust that deposits on the panels, and which reduces their output, this rest position has been set at 45°; a simple solution, that has significantly reduced the deposit of material and favored the self-washing phenomena that exploit the noteworthy night mist.

"Reuse water", is the watchword in thermal plants

To search constantly for new solutions to increase the internal reuse of process waters is the renewed commitment requested by the WaVE project from all thermal plants with a view to reducing their water requirements.

The Santa Barbara Plant (392 MW) in Italy uses water mainly from the operation of evaporative cooling towers. The availability of water is, however, reduced, depending on the level of the overlying basin of the San Cipriano dam, and the restitution of water to the valley water body is often limited by the need to contain its thermal rise, especially in periods of low flow. The plant has managed to change the functioning of the cooling towers by means of new treatment of the evaporative cycle water and an advanced system of checking and regulation capable of monitoring and controlling the chemical-physical parameters of the recirculated water in real time. These interventions have facilitated an increase in the number of concentration cycles of the evaporative towers, leading to a 15% reduction of make-up water, as well as the flowrate of the water discharged. Similar initiatives are planned for the Pietrafitta (Italy) and Ventanilla (Peru) plants.

The Mahón plant operates on the island of Minorca, in the Balearic Islands, an area classified as of high water stress due to the scarce availability of the natural resource, together with high demographic pressure. The recent installation on the plant of nitrogen oxide (NO_x) abatement systems, requiring water to operate, could have increased the impact. The solution adopted, therefore, was that of utilizing the wastewater coming from the nearby municipal wastewater treatment plant to feed the emission abatement system, in this way avoiding withdrawal from scarce water sources and recovering wastewater that would otherwise have been discharged into the sea.

Wastewater treatment optimization and water quality conservation of the destination environment

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 the hydro-geological basins to preserve multiple uses of the area and water quality

Hydroelectric power plants activities are an important element of water management. These plants, which do not contribute to the Group's water consumption due to the fact that water withdrawn is completely returned to its source, provide a series of additional services for society compared to the sole generation of renewable energies. In fact, several plants, with a joint management in collaboration with public stakeholders and private entities, manage the water resource for multi-purpose services ranging from flood control, drinking water and irrigation, fire prevention services, to the management of river waste held by retention works, also including numerous cultural, leisure and nature-based initiatives, made possible thanks to the presence of the plants. The reservoirs of hydroelectric plants 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 flows).

Innovative HYDRO projects

Water as an economic and social engine

The Noguera Pallaresa is a river in north-eastern Spain. It has its source in the Pyrenees and joins the Segre, a tributary of the Ebro. The river flows into the county of Pallars Sobirà in the province of Lleida (Catalonia), a region with a strong vocation for tourism, in particular active tourism, water and adventure sports. The success of these sports is made possible thanks to the excellent regulation of the water flow released from the basis of the hydroelectric plants (Torrassa and Llavorsí, 10 and 52 MW respectively) managed by Enel-Endesa on these rivers, ensuring the continuous and safe practice of these activities over the entire tourist season, and the organization of sports events, including national ones.
The regulation of water for leisure-social uses requires constant supervision of the hydroelectric plants and their hydraulic infrastructures, together with a reliable system of communication between the plants on the Noguera Pallaresa and the Control Centre situated in Lleida. The latter in particular constantly processes evaluation models for the water flowrate required, taking into account the orography and the current flow conditions of the river, the levels of accumulation in the basin that depend on seasonal weather conditions, as well as electricity production needs and the further services guaranteed, such as irrigation and supply of water to the population. From this complex evaluation one can determine, in an entirely automated and remote controlled manner, the volume of water released through the hydroelectric plant turbines, which makes possible the leisure-social use of the river with the contemporaneous generation of 100% renewable electricity.

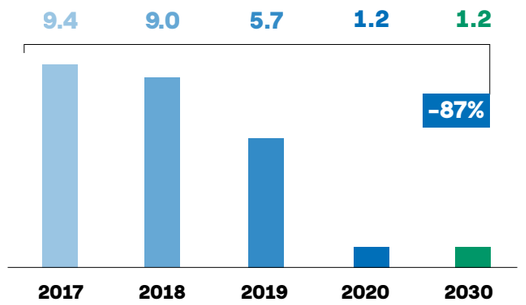
Waste

| 103-2 | 103-3 | 306-3 |

Optimal waste management is a strategic objective of our environmental policy, which results in a constant commitment to the reduction of waste production, as well as to the definition of new methods of reuse, recycling and recovery in the perspective of a circular economy.
With the aim of further strengthening this commitment, we have equipped ourselves with a **Group Guideline for Waste Management**, which collects the best Company practices deemed fundamental for optimal waste management. In particular, we have set key **objectives for the reduction of waste produced**, which were further reduced last year (-87% of waste produced in 2030 compared to 2017), equal to 1.2 mil t produced in 2030 (excluded from this target is waste produced from the demolition of decommissioned thermal plants). The reduction method takes into account the results already obtained and of the envisaged evolution of the production mix towards renewable energies, as indicated in the three-year Industrial Plan. The target value includes the technological upgrading of renewables plants, especially wind farms, that will reach end-of-life over the next few years.

TARGETS

WASTE PRODUCED[1]
(mil t)



(1) These targets exclude waste produced from the decommissioning of thermal plants.

During 2020, waste production was reduced notably due to the reduction of the contribution of coal ash and desulphurization gypsum, the overall production of which went from **5.0 mil t in 2019 to 0.8 mil t in 2020**, with a reduction of 84% (-87% compared to 2017).
Waste sent for recovery within the entire scope of the Company was equal to 65.7%, a strong improvement compared to data for the previous year (24% in 2019), also thanks to the adoption of management measures.
The commitment to a continuous increase in the percentile 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 fundamental role in this area is played by process waste recovery deriving from thermal power generation. This is significant in terms of both quantities produced and their characteristics. These mainly include coal ash and desulfurization gypsum, reused in building works to produce cement, concrete and bricks according to specific technical and environmental control requirements. In particular, the percentage sent for recovery is, respectively, 74% for coal ash (from 22% in 2019) and 63% for desulphurization gypsum (from 33% in 2019)[8].
Many other maintenance wastes are sent for **complete recovery** from the thermal plants such as waste oils, a large number of metal waste products, iron, copper, aluminum as well as waste from primary filtration processes in the hydroelectric plants. An important commitment was furthermore undertaken last year to focus on ensuring 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.
In order to improve further the Group's performances over the next few years in terms of reduction of waste produced and to increase the rate of recovery, in 2020 Global Power Generation Division launched the project "**ZERO WASTE**". This project, which has been extended to all the countries in which the Group is present and for each technology and plant, has set the objective of analyzing waste production and management processes, classification and final destination on the basis of regulatory and market conditions in each country, in order to identify points for improvement, and also share and promote the diffusion of best practices and the definition of specific objectives and intervention programs.

(8) The variations in the percentages of recovery compared to the previous year are due to plants sold or shut down in the period.

An increasingly greater effort has in particular been made to acquire, in a life cycle perspective, transparent and comparable information on **the environmental impact of the substances and of products procured**. Similarly, increasing focus was also placed on the adoption of the Extended Producer Responsibility (EPR) models, including in relation to **the post-use phases of the products and services provided**. Of particular interest in relation to this was the **Enel X** commitment using a model integrated with the e-mobility services which ensured a rigorous and efficient end-of-life management of electric car recharging infrastructures (box stations, pole stations, fast-recharges) and their recovery through membership, in Europe, of WEEE (Waste Electrical and Electronic Equipment) and battery recovery consortia.
As regards the **waste generated by management of the electricity distribution grid**, recovery programs have been reinforced, in particular for dielectric mineral oils, used as insulation in electric equipment, and accumulators, utilized as energy reserve in transformer stations. These oils are sent to companies registered/authorized for regeneration and waste-to-energy treatment, where regeneration is not possible, whereas the end-of-life accumulators are sent to registered/authorized companies that can recover secondary raw materials. Particularly relevant within the scope of the Infrastructure & Networks Business Line 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**.
For further initiatives, see the chapters "Circular economy" and "Sustainable supply chain" in the present document.
Furthermore, during 2020 we proceeded with our commitment for the elimination of disposable plastic in the Group, initiated with launch of the **"Zero Plastic" project** in June 2019, in parallel with World Environment Day. As of today, the project has involved the main offices (with over 20 employees) in Italy and Spain, and will be extended progressively to all the countries and operating offices, involving, for its success, tens of thousands of people, and placing us in the front line in the global commitment to ensure a better planet. In 2020, the reduction of disposable plastic in offices (including cafés, canteens and beverage and food dispensers) can be estimated at 75% in Italy and 64% in Spain compared to the year of reference (2018), thanks to interventions for the replacement of the products supplied.
Following the almost exclusive recourse to home working in the large offices, as a response to the Covid-19 pandemic, it was not, however, possible to carry out actual measurements. 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 introduced a new type of waste in operating offices kept active for electricity service continuity needs. This new type of waste 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 provisions and health requirements issued in the different countries.

Soil, subsoils and subterranean waters

103-2 | 103-3

The protection, monitoring and remediation of the soil, the subsoil and of groundwater in areas where our plants and production and service facilities are, for us, a priority, to ensure the safeguarding of ecosystems and the health of people. The protection of these environment matrices guides all the phases of a plant's 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 will undergo 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 conditions of the 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.
As regards 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, we proceed, 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 case of potential contamination, on the basis of intervention plans shared with the competent authority and supervisory bodies, and turning to specialist and qualified companies, a characterization of environmental matrices in the areas of potential interest is carried out, and, if necessary, securing and subsequent remediation measures capable of quickly restoring a suitable quality status for the planned use of the area (industrial/commercial, residential) are realized. 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 release of substances that can have an impact on the environment, numerous projects have commenced for their progressive substitution, for example, verifications on the possible use of vegetable (hence biodegradable) oil, replacing the traditional dielectric oil of mineral origin, as insulation in electric equipment.

BIODIVERSITY

| 103-2 | 103-3 | 304-4 |

Ecosystems: Terrestrial ecosystems; Coastal marine ecosystems; Aquatic ecosystems

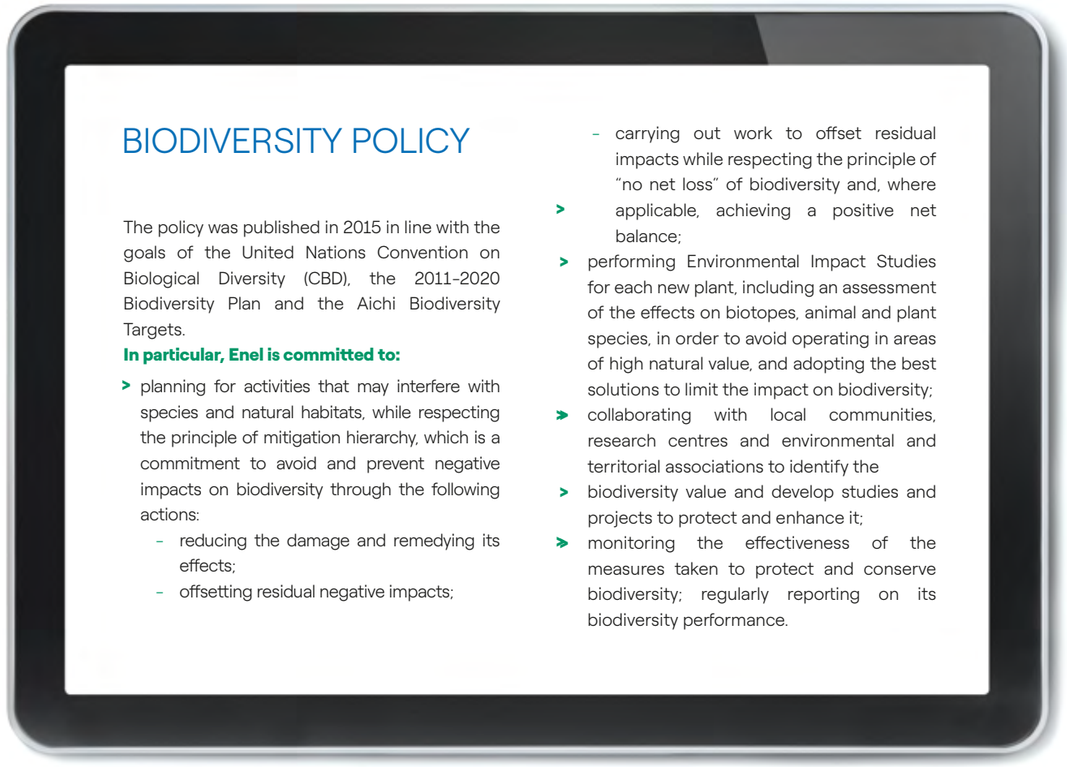
The Red List, compiled by the International Union for Conservation of Nature (IUCN), provides information on the conservation status of various species. Near Least

In pericolo Critico **(CR)** | In Pericolo **(EN)** | Vulnerabile **(VU)** | Quasi Minacciata **(NT)** | Minor Preoccupazione **(LC)**

Species concerned: Fauna Terrestrial; Fauna Aquatic; Avifauna; Ichythofauna; Chiroptera; Flora Terrestrial; Flora Marine

Country	Projects: No. of projects	Projects: Of which voluntary	Project type: Monitoring	Project type: Restoration (habitat)	Project type: Conservation (species)	Species concerned: Classe	Ecosystems: Tipo	No. of species at risk: (CR) Critically endangered	(EN) Endangered	(VU) Vulnerable	(NT) Near threatened	(LC) Least concern	TOT
Italy	25	68%	5	1	19		Prairie, Forest, Shrub, Artificial, Inland wetland//freshwater rivers and lakes	2	3	-	1	18	24
Spainna	28	89%	10	8	10		Forest, Shrub, Prairie, Rocky area, Artificial Inland wetland/freshwater rivers and lakes	1	2	8	15	365	391
Romania	11	91%	1	-	10		Forest, Prairie, cultivated land Inland wetland/freshwater rivers and lakes	-	1	5	7	13	26
Grecee	3	-	3	-	-		Forest, Prairie, Shrub, Rocky area	-	2	7	11	176	196
Brazil	72	14%	52	16	4		Forest, Prairie, Shrub, Artificial Savannah Inland wetland/freshwater rivers and lakes	-	6	20	14	1,169	1,209
Chile	16	25%	11	4	1		Forest, Shrub, Desert, Prairie Inland wetland/freshwater rivers and lakes	-	-	2	2	54	58
Colombia	12	25%	3	5	4		Forest, Savannah, uncultivated area Inland wetland/freshwater rivers and lakes	3	5	29	11	534	582
Argentina	1	-	-	1	-		Forest	-	-	-	-	-	-
Peru	3	-	3	-	-		Forest, Desert Inland wetland/freshwater rivers and lakes	-	-	-	1	1	2
South Africa	4	-	2	2	-		Prairie, Shrub, Forest	-	2	1	1	2	6
North America	5	20%	4	1	-		Prairie, Shrub, Forest	-	2	1	5	28	36
Panama	2	-	-	2	-		Foresta	-	-	-	-	-	-
Guatemala	1	-	1	-	-		Forest	-	-	-	-	-	-
Mexico	3	-	2	1	-		Shrub	-	-	-	1	-	1
Russia	1	-	-	-	1		Inland wetland/freshwater rivers and lakes	-	-	-	-	-	-
TOT	**187**	**37%**	**97**	**41**	**49**			**6**	**23**	**73**	**69**	**2,360**	**2,531**

Protection of biodiversity is one of the strategic objectives of our environmental policy and is regulated by a specific policy[9] adopted since 2015 and which defines the guidelines in the entire Group.



We have consolidated experience in the management and protection of biodiversity on our production sites, an activity which over the past few years has been focused on the renewables segment and on grids in an increasingly large number of countries. In the Group's plants and installations with a long-term presence in the area, vast scale monitoring continues in order to prevent impacts on ecosystems. In relation to new plants, and in particular renewable ones, the potential exposure to a biodiversity risk is highlighted during the feasibility analysis phase, taking into account the geographic closeness of the sites to protected or important biodiversity areas, and the potential presence of endangered species. This evaluation is 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 territory, defining the project to create long-term values for itself and for the local communities. Once in operation, protection of biodiversity becomes an integral part of environmental management, through periodical management for the checking of impacts highlighted in authorization phase. This is also the phase in which 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.

In addition, the Group brings forward a series of innovative activities targeted at improving the integration of renewable energy plants with the environment and the landscape, for example through the use of natural solutions based on mixes of deep rooting seeds easily integrated in different climates, aimed at improvement of the quality of soils where the plants are situated and hence to the reduction of hydro erosion and desertification.

Furthermore, we are committed to maintaining the management of biodiversity aligned with the best practices in the sector and, in this perspective, we have equipped ourselves with the **Group Guideline** that delineates the principles and key procedures for the management of impacts on biodiversity during the entire life cycle of the plants, from the development of new ones to operations and decommissioning.

Furthermore, with the aim of involving and raising awareness among all workers on the topics of protection and conservation of biodiversity, a program of specialist training was launched with the involvement of over 300 people, with different technical profiles and expertise, involved in the management and conservation of the biodiversity in local areas.

PROJECTS

187
projects for the protection of species and natural habitats

over
4 thousand
hectares of habitat recovered

In 2020 we continued with **187 projects** for the protection of species and natural habitats in plants in operation, of which 54 developed in partnership with government entities, NOGs and universities, for an overall capital expenditure of **9 million euros** and a surface of 4,356 hectares involved in habitat recovery, of which around half concerning ecological restoration and reforestation, mainly in Colombia, Brazil and Chile. The surface subject to restoration in 2020 has more than tripled compared to the previous year (1,300 hectares in 2019), both for the activation of new restoration projects and for the effective increase of the surfaces subject to restoration in the ambit of projects already active beforehand. The projects mainly concern Brazil, Chile, Spain and Italy, in particular on hydroelectric plants, wind farms and distribution grids. Examples of the biodiversity mitigation measures through the related policy are available on the site's Sustainability section (https://www.enel.com/investors/biodiversity). Several measures have been implemented as early as worksite phase, others envisage compensations in the long term (e.g. the ecological restoration project and repopulation at the El Quimbo plant).

In addition to biodiversity projects developed with reference to plants in operation, in 2020 87 projects were developed for the construction of renewable energy plants, mainly in Brazil. Spain and Chile, targeted at the conservation and monitoring of native species impacted, for an overall capital expenditure of 3.7 million euros.

For the purposes of further improving our environmental performances, we are part of initiatives and cooperations at international level. Among these, in 2020 the Company joined the coalition Business For Nature, with the aim of supporting the commitment to protection of nature and biodiversity through the definition of new global objectives in accordance with the Strategic Agenda 2030. On the occasion of the 75th General Assembly, the Group has signed the Call to Action "Nature is everyone's business" promoted by the coalition, whose objective is to demonstrate the commitment of the private sector to the protection of nature, and to urge governments to adopt ambitious biodiversity policies. Furthermore, we have decided to join the international consortium of the Science Based Targets Network (SBTN), an initiative which, on the track of the Science Based targets initiative (SBTi) in the area of climate change, will define a process for identifying specific improvement targets for the conservation of nature and biodiversity.

Recently a series of initiatives was launched, targeted at the definition of metrics and approaches for the evaluation of the sustainability of economic sectors compared to impacts on biodiversity. Among them, the most significant ones are the Convention on Biological Diversity (CBD), which is developing the strategic framework post-2020 in line with the objectives of Agenda 2030, that will be presented at the next Conference of the Parties 15 (COP), the World Economic Forum (WEF) which sets the benchmark metrics for the use of soil and water and, in the ambit of the European Commission, the definition of the taxonomy on biodiversity, which, by the end of 2021, will provide a common classification of economic activities that contribute to protecting and restoring biodiversity and ecosystems.

Within this context, for the purpose of aligning with the international state of the art and being precursors in forthcoming developments, we have commenced a process of verification and adoption of metrics and indicators of the impact of our own assets, such as the occupation of soil and the transformation of natural habitats, robust and scalable at various levels (from new sites under construction to those in operation) and that can be aggregated from single sites to Group level.

(9) The policy is also available at the following link: https://www.enel.com/en/investors/sustainability/topics-performance-sustainability/biodiversity.

Romania: LIFE DANUBE FREE SKY

The main objective of the **LIFE Danube Free Sky** project is to reduce the risk from electric lines for birdlife through monitoring and awareness raising, and by means of direct interventions of the electric lines in the areas with the highest environmental value. The project is part of a broad transnational cooperation along one of the most migratory corridors, stopover sites and places for wintering for many bird species in Europe: the Danube Delta. The project commenced in September 2020 and has received funding from the LIFE Program of the EU, involving 14 partners from 7 countries of the Balkans area and Central Eastern Europe, among which research institutes, electricity distribution companies, local administrations and protected natural areas. Through our Romanian Company E-Distribuție Dobrogea, we participate in the partnership with activities in the region of Dobrogea, Romania. In particular there will be interventions on 40 km of lines with the insertion of insulating sheaths and other elements to reduce collision with electric lines, in a multi-year program the conclusion of which is predicted for 2026.

Brazil (Rio Grande do Sul): REFORESTATION INDIGENOUS LAND - IL

Operating the grids at high and medium voltage requires the maintenance of the surrounding areas, with the need to thin vegetation to ensure the safety and accessibility to said areas. For this reason, authorizations in areas of particular environmental value always have more stringent requirements in order to protect habitats and species. This is the case in the Rio Grande do Sul region in Brazil, in which Enel Cien, in line with the requirements set by the Ministry of the Environment, carries out compensation works in the areas of relevance of transmission and distribution lines. Specifically, the interventions envisage forestation with native forest species to protect plant biodiversity in areas protected and inhabited by indigenous populations. Currents projects entail the insertion of more than 100,000 specimens to compensate for the activities carried out over the previous five years (from April 2015 to March 2020). In 2020 reforestation projects were already under way on the Rio Grande do Sul with more than 80,000 trees planted to recreate forest habitats for transition between the Mata Atlântica habitat and the biome Pampa (IL Serrinha, Erval Grande, São Luiz Gonzaga). In 2021 further interventions are planned in order to complete the forestation objectives set.

Spain, Italy and Greece: AGRI-VOLTAIC SYSTEMS

In the area of developing innovative solutions that unite the growth of largescale photovoltaic plants (PV) with the sustainable use of the soil and the protection of biodiversity, the Global Power Generation Division, through Open Innovation, in 2020 launched a parallel experimentation program in Spain, Italy and Greece which involves the best global partners in the world of research, industry, non profit associations and start-ups. It commenced in January 2021. With agri-voltaic systems, we have set ourselves the objective of mitigating the impact of photovoltaic plants in terms of taking up soil, promoting its use with the fine-tuning of agro-livestock solutions that use the free spaces between the lines of panels without any variations to the layout of the plant and to build shared value for local communities in a circular economy perspective. With a multi-stakeholder collaborative approach, better crops are being studied in relation to solar technologies, to environmental conditions and to the method of harvesting agricultural products, involving local farms and strategic players. The final objective is to define optimal models for the integrated and sustainable management of operations and maintenance of PV and agricultural plants. The massive data collection will form the basis of a database to support decision-making for the adoption of the best business model, in relation to solar technology, the climate area and the analysis of the social, economic and environmental context.

Brazil CONSERVATION OF THE JAGUAR (DELFINA WIND FARM)

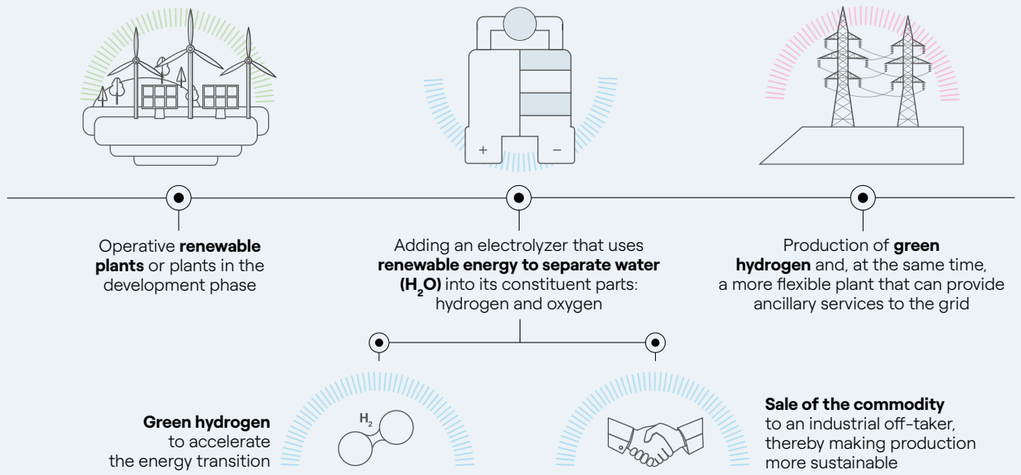
The Delfina wind farm in Brazil is set within a priority area for the conservation of biodiversity in the Caatinga biome. Since 2016 a research project has been carried out with our patronage in partnership with federal and state public authorities and with the rural communities to ensure the long-term survival of jaguars of two different species (*Panthera onca* and *Puma concolor*) recognized to be at risk of extinction. The aim of the project is to map the areas suitable for the presence of these species and of the critical areas of conflict with human activities that put their conservation at risk. One of the main threats, indeed, is death induced by man due to the depredation of cattle. Through the use of technologies via satellite and GPS collars, the movements of the felines are monitored and interference is mitigated. The project also aims to improve understanding of the behavior in nature of these wild animals; to this end, an environmental education program with 24 seminars and the involvement of six local communities has made it possible to raise the awareness of over 200 locals of the importance of protecting these species.

Other activities

Green hydrogen

Hydrogen is becoming of renewed importance as a possible energy carrier for the decarbonization of those sectors of the economy that cannot be technically or economically electrified, or what are referred to as the "hard to abate" sectors, such as the chemical industry, which uses hydrogen as a raw material, industry that needs high temperature heat, or maritime transport or aviation. Green hydrogen is a support for achieving full decarbonization of end-user consumption, and not an alternative to this. Indeed, electrification remains the cheapest and simplest way to decarbonize large portions of total consumption of final energy.
The processes of hydrogen production are not, however, all equal in terms of emissions, since they are linked to the use or otherwise of fossil fuels. Only the use of "green hydrogen", produced using electricity deriving exclusively from renewable energy sources through the process of electrolysis of water, does not entail emissions and is an ideal complement to decarbonization.
Heading in this direction are the new industrial strategy for Europe presented by the European Commission in March 2020, followed by the EU communication Hydrogen Strategy, and the creation of the Clean Hydrogen Alliance of July 2020: both communications assign a central role to hydrogen in the energy transition.
Beginning from our position of leadership in the production of electricity from renewable sources, we have decided to focus on this new opportunity, along the entire value chain, by promoting the development of projects in which the production of renewable energy is integrated with the production of zero emissions green hydrogen. The green hydrogen produced can then be sold to industrial clients who can thus abate the CO_2 emissions of their production processes.
A further advantage of this business model is that hydrogen cannot only be used as fuel or as a clean raw material, but can also facilitate a further penetration of renewable energy. Indeed, a solar plant or wind farm coupled with an electrolyzer can provide grid services similar to those of a renewable plant combined with a battery, thus offering greater flexibility to the electric system.
There are two possible models of integration under examination: in the first, the electrolyzers are realized at a renewable energy production plant, in a fully integrated system which, however, requires localization in the vicinity of a point of use to make transport less expensive; in the second, the electrolyzer is realized directly by the user of the hydrogen, supplying renewable energy through the electric grid, with the advantage of having lower localization restrictions. The choice of the most suitable model is linked to the conditions of each specific project.
With the objective of exploiting the potential for growth of this new sector, **we envisage in our development plans the installation of over 2 GW of electrolyzers by 2030, of which 120 MW already in 2023**.
To achieve these ambitious targets, we have begun to develop projects in different Countries where we are present, including through collaboration with several of the main players active in the field of hydrogen.

Green hydrogen: the business value chain



- In Chile, the Group participates in the High Innovative Fuels (HIF) partnership with the Chilean groups AME and ENAP (Empresa Nacional del Petróleo), together with Siemens Energy and Porsche. The Group will contribute to the innovative pilot project of HIF for the production of sustainable fuels, focusing on wind energy and on the installation of an electrolyzer for the production of green hydrogen. The electrolyzer powered by wind energy and that feeds the pilot project with green hydrogen will be situated in Cabo Negro, north of Punta Arenas, in the region of Magallanes. The plant should enter into operation in 2022 and will be the largest plant of its type for producing green hydrogen in Latin America.
- In the United States, we and the NextChem branch of the industrial group Maire Tecnimont have signed a memorandum of understanding to sustain the development of green hydrogen in the Country. The project, which should be operative by 2023, will convert the renewable energy of one of the solar plants of the Enel Group in the Unites States into green hydrogen that will power a biorefinery.
- In Italy the Enel Group and the Eni Group are planning to produce green hydrogen by means of electrolyzers powered by renewable energy. The electrolyzers will be located near two Eni refineries that will use them to decarbonize the process. Both projects will be characterized by an electrolyzer of about 10 MW and it is hoped that green hydrogen will begin to be generated by 2022-2023. Again in Italy, we intend also to work with the energy infrastructure company Snam and other players to explore other applications for green hydrogen.
- In Spain, the Enel Group is assessing numerous development projects, including on several existing plants. The most advanced project is that of As Pontes, which will have an electrolyzer of 100 MW and six associated wind farms, with an overall capacity of 611 MW, the construction of which will see the creation of 1,6000 jobs during the 18 months of construction.

We have also joined the Clean Hydrogen Alliance, promoted by the European Commission, with the aim of promoting green hydrogen and stimulating the realization of projects in order to be able to reach the targets set in the EU Hydrogen Strategy. The organization has seen the adhesion of numerous participants, both public and private, and its division into 6 topic based round tables: we take part in particular in the round table on "hydrogen production", which aims to identify the types of projects to promote and the current regulatory and economic barriers present.

Enel X: e-mobility

To highlight the profuse commitment for the sustainability of mobility through electrification of the vehicle fleet, Enel X has updated the e-mobility Emission Saving tool, the algorithm capable of calculating the quantity of CO_2 saved in the use of an electric or electrified vehicle, compared to one powered by a traditional endothermic engine, adding also the calculation of nitrogen oxide (NO_x) and particulate matter (PM_x) avoided. The e-mobility Emission Saving tool is the first algorithm validated by an internationally recognized certifying body (RINA) for this purpose according to principles recognized in regulation UNI EN ISO 14064-2:2019. The need to broaden the algorithm's calculation perimeter emerged following collaboration with the pharmaceutical company Novartis, which with Enel X has presented a new study on the relationship between pollution and its impact on the health of people.

January 2018 to December 2020 saw over 1.6 million recharges at Enel X stations across Italy; approximately 21 million kWh was delivered by the charging stations and about 130 million km were traveled by electric vehicle owners. The kWh distributed from the recharging stations is calculated by the EMM system (Electro Mobility Management Platform), the Enel X digital platform that continuously manages information related to the recharging of electric vehicles across Italy, accessible to both public and private parties. The data is transmitted from the fast (JuicePump) and quick (JuicePole and Pole Station) infrastructures equipped with an internal measuring device and from the connected JuiceBoxes installed at home.

The calculation of CO_2 saved and of the other main pollutants linked to mobility (PM_x and NO_x) is a combination of the data on the distance traveled by 100% electric-powered vehicles (BEV) or plug-in hybrids (PHEV) only using electricity and the calculation of the mean consumptions of vehicles from a recent official study by the Milan Polytechnic University. The findings compare the kilometers that can be traveled with the average emissions from endothermic vehicles circulating in Italy published annually by ISPRA (Istituto Superiore per la Protezione e la Ricerca Ambientale - The Italian Institute for Environmental Protection and Research) net of the CO_2 and of the other main pollutants (PM_x e NO_x) emitted to produce energy based on the national energy mix. To reinforce the algorithm, Enel X converted the amount of CO_2 saved from the environment into the number of trees that would have absorbed that same quantity of emissions over a year. The result is measured by the relationship between the quantity of CO_2 a tree absorbs[1] and those of emissions saved, thereby obtaining the number of equivalent trees which contribute to the "four-wheel forest" which every Enel X client creates by responsible behavior towards their surrounding environment.

This algorithm was developed in Italy, but was designed to be used in other countries taking into account the average CO_2 emissions of the vehicle fleet circulating in the area (CO_2/km) and the emissions of the national energy mix (CO_2/kWh), as well as for the other main pollutants linked to mobility (PM_x e NO_x). The dashboard is available for users on the homepage of the Enel X website; the calculation of the CO_2 saved by each individual recharging session is available on the JuicePass app and on the Recharge Manager portal, dedicated to businesses and public services.

Thanks to the recharges, the emission of about 15,500 tCO_2, equivalent to around 860,000 trees, was avoided, as was approximately 42,000 kg of NO_x and 1,200 kg of PM_x.

(1) 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

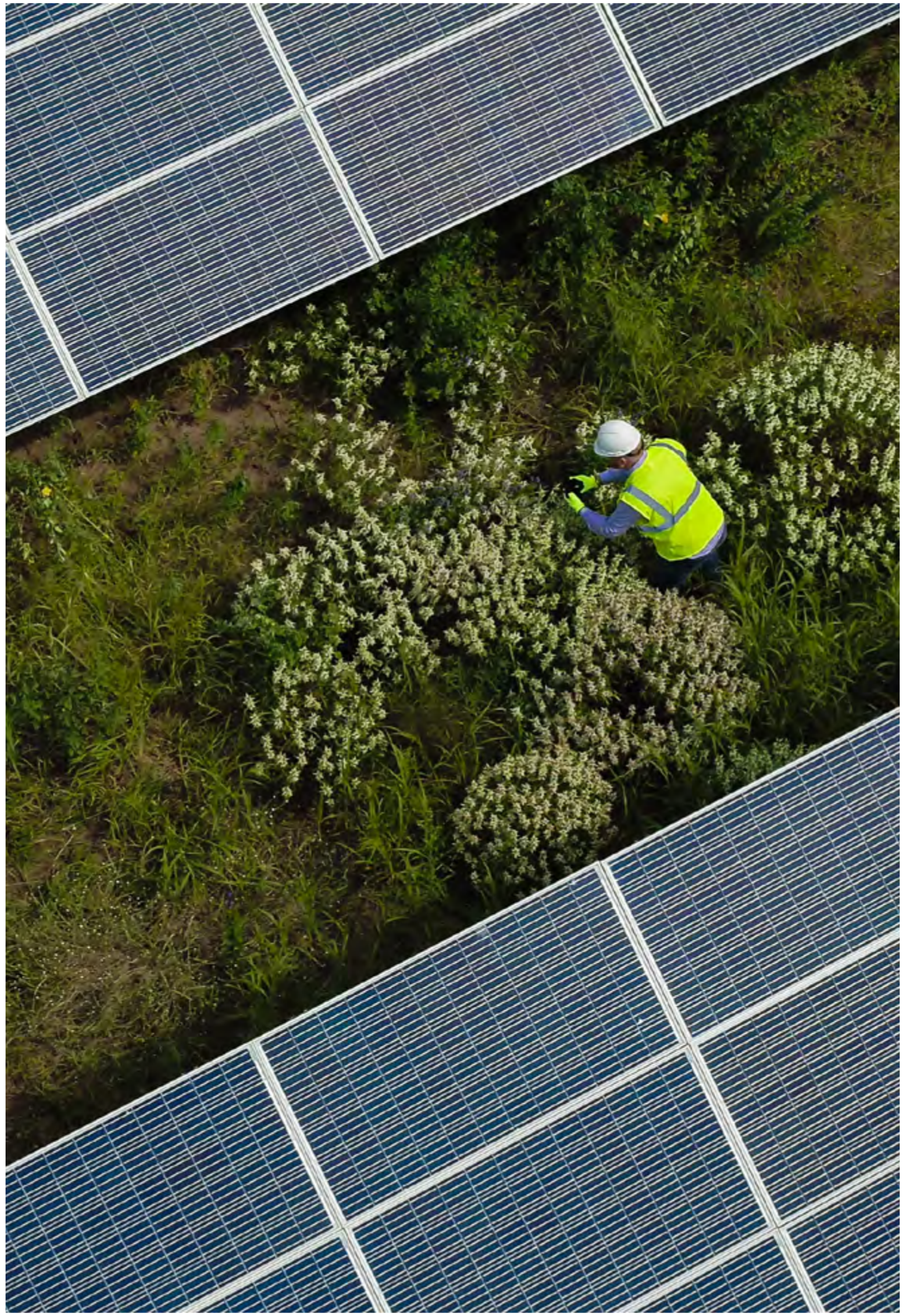
Distribution

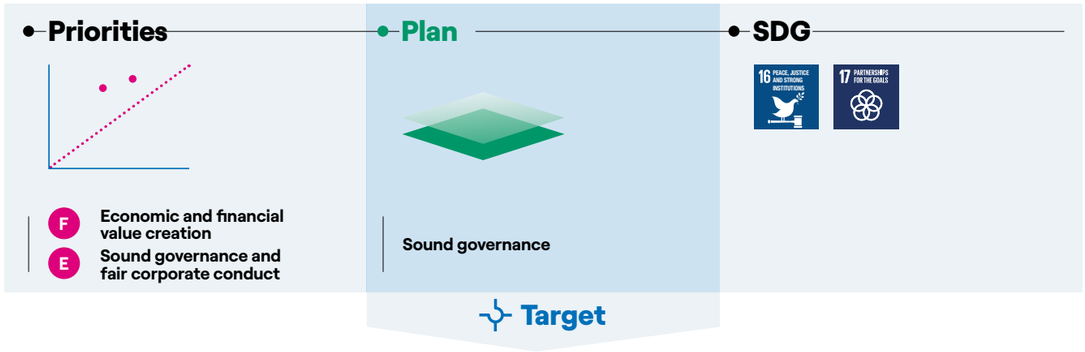
In order to protect the landscape and the local area, Global Infrastructure and Networks has adopted specific strategies to mitigate the environmental impacts of construction activities relating to new grids in addition to upgrades to existing ones.
The cabling ratio is the relationship (in percentage 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 an increase in the length of overhead and underground cable lines, reducing the quota 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 2020, the cabling ratio showed an increase of three decimal points compared to the previous year, attesting itself at 60.4%, thanks also to the noteworthy contribution from the South American companies.
As regards the reduction of grid losses, on the other hand, this is guaranteed through interventions which also contribute towards the reduction of CO_2 emissions. These actions focus on infrastructures, and aim, for example, at the progressive reduction of single-phase electric lines as well as the construction of new electric lines to lighten the load on the pre-existing ones in addition to the use of low-loss transformers. Other actions include boosting the grid by using conductors with a greater cross-section and re-phasing 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.
Furthermore, in 2020 the Global Infrastructure and Networks division launched an ambitious environment improvement program, implemented in each country where we are present and which, beginning from an analysis of the most significant aspects on both a global scale and in the context of each country, aims to identify concrete action plans for the purpose of improving environmental performances and increasing environmental sustainability.

Environmental legal disputes

| 103-2 | 103-3 | 307-1 |

At December 31, 2020, the number of legal proceedings pending was 255 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 2020 was about 85 million euros. The sum is due to fines received in Spain, mainly related to the distribution activities of Edistribución Redes Digitales and secondarily to those of Endesa Generación, and in Brazil for production related activities.





Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Diversity Policy - Monitoring of the implementation of the Diversity Policy in the Board of Directors		Ensured full compliance with the Policy	**ON-PLAN**	Monitoring of the implementation of the Diversity Policy in the Board of Directors	G	16
Recommendations and best practices - Continuous alignment with international recommendations and best practices for governance		• Ensured alignment with international recommendations and best practices for governance, including those recommended by leading proxy advisors • Started the process of implementing the new Corporate Governance Code for Listed Companies[1]	**ON-PLAN**	Continuous alignment with international recommendations and best practices for governance	G	16
Induction plan - Structured plan of induction of Directors and Statutory Auditors during the mandate		Extensive and structured induction program for Directors and Statutory Auditors in order to gain in-depth understanding of the sectors in which the Group operates, company dynamics, as well as market trends and the regulatory framework	**ON-PLAN**	Structured plan of induction of Directors and Statutory Auditors during the mandate	G	16
Board review - Execution of the board review with the support of an independent consultant		Board review carried out with the support of an independent consultant using the "peer-to-peer review" method	**ON-PLAN**	Execution of the board review with the support of an independent consultant	G	16

I Industrial E Environmental S Social G Governance T Technological

Goals
New Redefined Outdated

Activities	2020-2022 targets	2020 results	Status	2021-2023 targets	Tag	SDG
Engagement - Adoption of an engagement policy with the generality of shareholders (and with a special focus on institutional investors) in line with the amendments of the new Corporate Governance Code		Started the process of defining the Enel SpA engagement policy ("Policy for the management of the dialogue with institutional investors and with the generality of shareholders and bondholders of Enel SpA")	**ON-PLAN**	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	G	16
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 carried out on the main Group companies, while maintaining the certifications previously acquired by the companies that have started the certification process as of 2017	**ON-PLAN**	ISO 37001 anti-bribery management system certification secured for the main Italian companies and extension to cover the Group's foreign companies	S G	16
Compliance Program - Ongoing improvement of Compliance Programs/Models for the prevention of criminal risks		• 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	**ON-PLAN**	Ongoing improvement of Compliance Programs/Models for the prevention of criminal risks	G	16
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, including induction activities in virtual classrooms	**ON-PLAN**	Further extension of training on Model 231 and the Enel Global Compliance Program	S G	16
Human rights due diligence • Implementation of the new phase of due diligence on the human rights management system • Due diligence conducted on strategic assets in the countries of presence		• Due diligence completed on the management system • Launched the development of a standard method for conducting human rights due diligence at individual asset level (currently being completed)	**ON-PLAN**	• 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	S G	16 17

(1) The Company's process of adopting the new Italian Corporate Governance Code was completed in March 2021.

44 %

WOMEN

on Enel SpA's Board of Directors

151

REPORTS CONCERNING

the Code of Ethics of which 26 violations

more than **5thousand** hours

TRAINING

on human rights topics, through a dedicated online course

SOUND GOVERNANCE

| 102-5 | 102-18 | 102-21 | 102-22 | 102-26 | 102-27 | 102-43 |

Enel is a company listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana SpA since 1999 and has the highest number of shareholders among Italian companies. Notably, the shareholder structure at December 2020 is as follows: **62.3% institutional investors, 14.1% retail investors, 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 other 14 companies issuing shares listed on the Argentinian, Brazilian, Chilean, Peruvian, Russian, Spanish, and US Stock Exchanges.

Corporate governance model

| 102-18 | 102-19 | 102-20 | 102-22 | 102-23 | 102-24 | 102-26 | 102-32 |

During 2020, Enel's corporate governance system proved to be in compliance with the principles set down in the 2018 edition of the Corporate Governance Code of listed companies[1], adopted by the Company, and with international best practices. The Company's process of adopting the new Italian Corporate Governance Code, published on January 31, 2020, was completed in March 2021. The corporate governance system adopted by Enel and the Group is oriented towards the goal of sustainable success, given that it is aimed at creating value for shareholders over the long term, taking into account the social importance of the Group's business operations and the consequent need, in conducting such operations, to adequately consider all the interests involved.
For a detailed illustration of Enel's corporate governance we invite you to refer to the Report on Corporate Governance and Ownership Structure for 2020, which is available on the Company's website (www.enel.com); we further refer you to the specific sections of this Sustainability Report for an illustration of the governance of sustainability and the management of climate change.

(1) Current edition available on the Borsa Italiana website at https://www.borsaitaliana.it/comitato-corporate-governance/codice/codiceeng2018.en.pdf).

The solidity of our governance is a crucial element in the pursuit of a sustainable success that can create value in the long term.

Why is it important for our stakeholders?

Governance intends to satisfy the interests of all relevant stakeholders who can put their trust in us, aware of the principles of transparency, correctness and integrity that guide our actions.

Giulio Fazio

Legal and Corporate Affairs

Why is it important for Enel?

Efficient governance allows an informed identification of the strategic objectives and of the nature and level of risk associated with them, thus facilitating efficient and, at the same time, prudent management.

Relations with shareholders and the financial community

Since the listing of its shares on the Stock Exchange, Enel has deemed it appropriate to set up corporate structures dedicated to dialogue with institutional investors and with the broader category of shareholders. We therefore set up the following within boundary of the Company: (i) the Investor Relations unit, currently in the Administration, Finance and Control Function; (ii) an area in the Corporate Affairs Unit, which is in turn part of the Legal and Corporate Affairs Function. 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. Among other matters, the Investor Relations unit drafts Enel's equity story and organizes meetings between the Company's top management, institutional investors, and financial analysts. It also oversees the documentation to be submitted to the latter when disclosing periodic financial data to the market and in updating the Group's Strategic Plan in the context of Capital Markets Day. This is accompanied by ordinary activities, which include group or one-on-one meetings, conference calls, and interaction with financial analysts, with the aim of supporting them in their analysis and ultimately facilitating the correct assessment of the Company by the financial community. With the support of the Innovability® Function, the Investor Relations unit also discusses environmental, social and governance ("ESG") issues with investors, topics which can have major financial repercussions in the medium and long term. In view of the health emergency connected with the Covid-19 pandemic, starting in March 2020 dialogue with the financial community has been conducted solely in virtual mode. During the initial months of 2021, a **policy was adopted to manage communications with institutional investors** and with Enel's other shareholders and bondholders.
For more details, refer to the Report on Corporate Governance and Ownership Structure. 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.

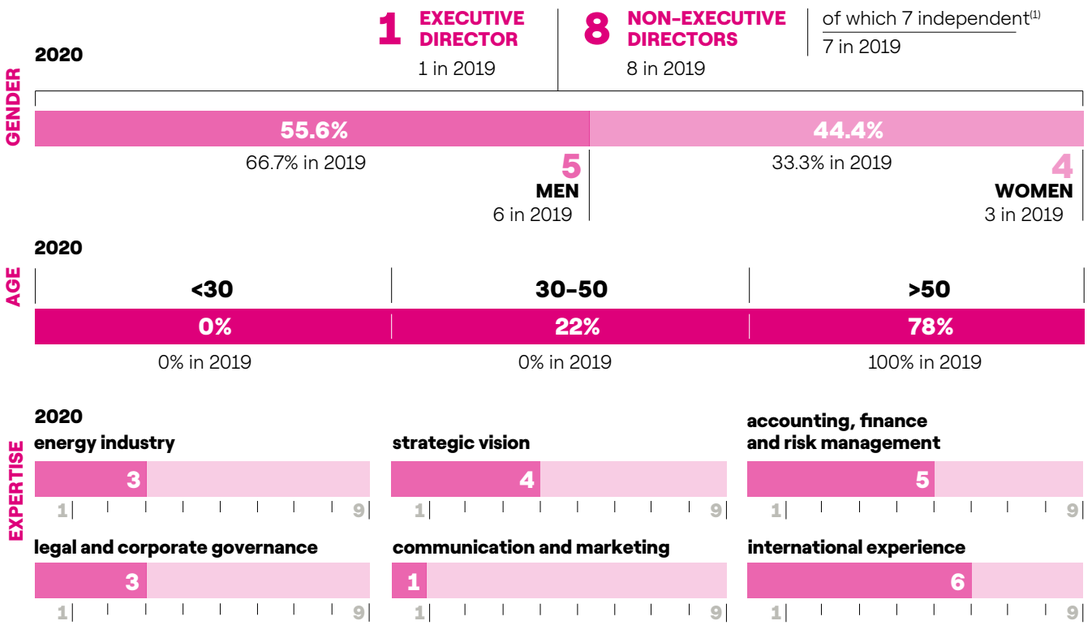
Board of Directors

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



(1) The figures for 2020 and 2019 refer to directors qualifying as independent pursuant to the Corporate Governance Code (2018 edition).

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

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 approved a diversity policy, which 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 qualified point of views able to examine the issues under discussion from diverse perspectives.

The Board of Directors held **16 meetings in 2020, of which 12 addressed climate-related matters, reflected in the strategies and related implementation methods**. Moreover, a broad ranging and articulated induction program was defined in 2020, with 17 initiatives aimed at providing the Directors with adequate knowledge of the Group's business sectors, as well as its corporate dynamics and their evolution, market trends, and the legal framework; also the Statutory Auditors participated in this program. The induction initiatives carried out in 2020 concerned all Business Lines and the main Countries and Regions in which the Group is present, and also the Global Service Functions ("Digital Solutions" and "Procurement") and the principal staff Functions ("Administration, Finance and Control", "Communications", "Innovability®" and "People and Organization"), plus a session on "Digital Transformation", conducted with the participation of an external expert. In this context, one of the induction activities also concerned the Enel Group's 2021-2023 Sustainability Plan and the positioning of the Group companies in the main sustainability indexes. In February 2020, the Board of Directors updated the specific corporate policy on the **maximum number of offices Enel Directors may hold** in administrative and/or control bodies of other companies of significant size, so as to adapt its contents to reflect the relevant best practices developed by the main proxy advisors and by significant institutional investors. In February and March 2021 the Board of Directors also adopted several measures aimed to ensure the implementation in Enel of the new Italian Corporate Governance Code, published on January 31, 2020. The measures in question include the adoption of a **policy for the management of the dialogue with institutional investors** and with the generality of shareholders and bondholders of Enel ("engagement policy"), that takes into account the best practices adopted in this area by institutional investors and reflected in Stewardship codes. In relation to the topic of succession plans for executive directors, in September 2016 the Board of Directors shared the contents of a specific "**contingency plan**" aimed at regulating the actions to be taken to ensure proper management of the Company in case of early cessation of the Chief Executive Officer before the expiry of the ordinary term of office (defined as "crisis management" case).

Finally, in the closing months of 2020 and during the initial months of 2021, with the assistance of the independent consultant Spenser Stuart 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 adopted under the Corporate Governance Code. The board review, which was extended also to include the Board of Statutory Auditors, was conducted in accordance with the peer-to-peer review method, i.e. through assessment not merely of the functioning of each body considered as a whole, but also of the style and contents of the contribution supplied by each director and statutory auditor. In the context of the board review of the Board of Directors, the questionnaires and interviews also concerned *inter alia* the implementation of the principles of sustainability in the strategies and business model of the Company and the Group, together with the attention devoted to sustainability topics by the Board of Directors.

Remuneration policy

| 102-28 | 102-35 | 102-36 | 102-37 |

The Enel remuneration policy for 2020, adopted by the Board of Directors and approved by the Shareholders' Meeting of May 14, 2020, was defined taking account of national and international best practices, the indications that emerged from the favorable vote of the Shareholders' Meeting of May 16, 2019 concerning the remuneration policy for 2019, and the results of a benchmark analysis concerning the remuneration treatment of the Chair of the Board of Directors, the Chief Executive Officer/General Manager and the non-executive Directors of Enel for the 2017/2019 mandate, prepared by the independent consultant Willis Towers Watson.

In line with the recommendations of the Corporate Governance Code for listed companies (2018 edition), the 2020 remuneration policy is designed to attract, motivate and retain talent with the most suitable professional qual-

ities to manage the Company successfully, incentivize the achievement of strategic goals and sustainable growth of the Company, and to align management interests to the priority goal of creating sustainable value for shareholders in the medium/long term and promoting the corporate mission and values.

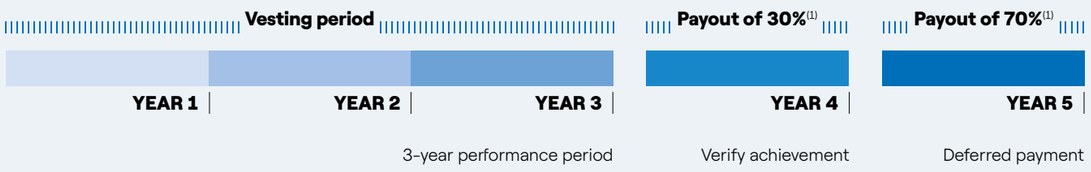
The remuneration policy for 2020 sets out the following compensation for the Chief Executive Officer/General Manager and for executives with strategic responsibilities ("ESRs"):

- a fixed component;
- a short-term variable component ("MBO"), to be paid based on the achievement of specific performance objectives. In particular:
  - for the Chief Executive Officer/General Manager, the 2020 MBO is based on the following annual performance objectives:
    - Ordinary consolidated net income;
    - Group Opex;
    - Funds from operations/Consolidated net financial debt;
    - Management of Covid-19 emergency: remote management of operations;
    - Safety in the workplace;
  - for ESRs, 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 2020 this component is linked to participation in the Long-Term Incentive Plan reserved to the management of Enel SpA and/or of its subsidiaries pursuant to article 2359 of the Italian Civil Code ("2020 LTI Plan"), which contains the following three-year performance goals:
  - average TSR (Total Shareholder Return) of Enel vs average TSR of Euro Stoxx Utilities Index – EMU in the three-year period 2020-2022;
  - cumulative ROACE (Return on Average Capital Employed) in the three-year period 2020-2022;
  - Renewable net consolidated installed capacity/Total net consolidated installed capacity at the end of 2022;
  - CO_2 grams emissions per kWh equivalent produced by the Group in 2022.

The 2020 LTI Plan also envisages any premium accrued to be represented by a share component, to which – based on the level of achievement of the various objectives – a monetary component can be added. In particular, 100% of the base amount of the Chief Executive Officer/General Manager and 50% of the base amount of the ESRs will be paid in Enel shares, previously acquired by 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 financial year after the three-year performance period of the 2020 LTI Plan (i.e. deferred payment).

For more information on the contents of the 2020 remuneration policy, refer to Enel's Report on the remuneration policy for 2020 and compensations paid in 2019, available on the Company website (www.enel.com).

LTI PLANS (Long-Term Incentive Plans)



(1) In case of achievement of performance goals.

Finally, we draw your attention to the fact that the table below gives both for 2019 and 2020 the ratio between the total remuneration accrued by Enel's Chief Executive Officer/General Manager and average gross annual remuneration of the Group's employees ("pay ratio").

	2020	2019
Pay ratio – Ratio between total remuneration of the Enel CEO/GM and average gross annual remuneration of Group employees	146x (35x fixed compensation)	143x (36x fixed compensation)

For the sake of full disclosure, the same ratio is shown also with reference exclusively to the fixed component of the remunerations in question. For more information on pay ratio calculation methods, see Enel's Report on the remuneration policy for 2021 and compensations paid in 2020, 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 SEPARATION
of roles between management and control and their complementarity and independence (3 lines of defense)

2 RISK CONTROL UNIT
overseeing second-level defense and economic-financial impact of risks

3 SYSTEM OF RISK COMMITTEES
focused on business or geographical areas, coordinated among themselves, with a Group Risk Committee at the top

4 SYSTEM OF ORGANIZATIONAL POLICIES AND PROCEDURES
setting out processes, tools and responsibilities

5 SPECIFICATION OF EXPLICIT RISK LIMITS, and control processes to ensure compliance

6 A RISK REPORTING SYSTEM
that ensures management remains informed and enables corrective and mitigation action

In consideration of its operations, Enel adopts a classification of the risks to which it is exposed, composed of six categories: **strategic, financial, operative, 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 period-

ically, 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 composed 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, 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.

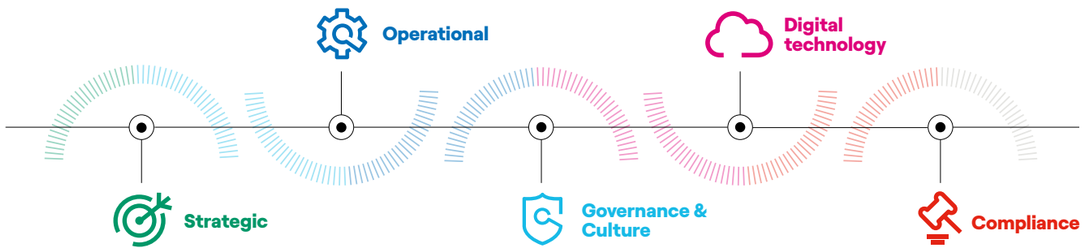
In the identification of potential ESG risks the following were considered:

- results of the materiality analysis (see the section "At a Glance" – "Definition of priorities" and the Methodological note in this document);
- the 2021 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 analysis 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 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.

Main ESG risk types



(2) Rio Declaration on the Environment and Development (Rio de Janeiro, June 3-14, 1992), Principle 15.

Strategic

MACROECONOMIC AND GEOPOLITICAL TRENDS, LEGISLATIVE AND REGULATORY EVOLUTION, AND THE COMPETITIVE SCENARIO

REFERENCE SCENARIO AND DESCRIPTION OF RISK

The markets and the businesses where the Group operates are subject to a gradual and increasing competition and evolution, both from a technological and regulatory standpoint, with different timing from Country to Country. As a result, the Group faces an increasing competitive pressure.
Furthermore, the Group operates in regulated markets or regimes. Thus, changes in the rules of functioning of those markets and regimes, as well as their provisions and obligations, along with fluctuations in macroeconomic variables, can influence the management's evolution and the Group's results.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

The business risks stemming from the Group's natural presence in competitive markets are faced with a strategy of integration through the value chain, with a greater drive for technological innovation, diversification and geographical expansion. Specifically, the actions enacted have produced the evolution of the customer portfolio on the free market, in a downstream integration logic on the final markets, the optimization of the productive mix, by improving the competitiveness of the plants on the basis of a cost leadership, as well as the search for new markets with a high growth potential and the development of renewable sources through adequate investment plans in different Countries.
In view of the risks deriving from regulatory factors, the Company has intensified the relations with local government and regulatory bodies, by adopting a transparent, collaborative and proactive approach to face and remove the sources of instability in the regulatory framework.

CLIMATE CHANGE

REFERENCE SCENARIO AND DESCRIPTION OF RISK

Physical risks arising from climate change can be classified as acute (i.e. extreme events) and chronic: the former are linked to extremely intense weather-climatic conditions, while the latter refers to gradual but structural changes in climatic conditions.
Extreme events may expose the Group to a potential unavailability of assets and infrastructures, restoration costs, and 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 rainfall or wind changes could impact the Group's business in terms of generation, while structural temperature changes could have an impact on electricity demand.
With regard to the energy transition process moving towards a more sustainable model with a progressive electrification and reduction in CO_2 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 commodities and energy prices.
Further information is given in the "Net-Zero Ambition" chapter.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

The Group is committed to making continuous improvements to the environmental impact of its activities. It has constantly improved its emissions reduction targets, certifying a new target with the SBTi in 2020 for 82 g/kWh of CO_2 by 2030, heading for "zero emission generation" by 2050. The Group's strategic actions make it possible to mitigate the potential risks and grasp the opportunities provided by transition variables. The use of capital is indeed focused on decarbonisation, through the development of generation assets from renewable sources, on enabling infrastructures linked to the development of networks and on the implementation of platform models, taking advantage of technological and digital evolution, which will favour consumption's electrification, as well as the development of new services for end customers. Overall, the Group

CLIMATE CHANGE

is dedicating more than 90% of the total investments planned for the 2021-2023 timeframe to the fight against climate change. Enel participates in the entire electricity value chain and has a diversified portfolio of activities, both in terms of generation technologies and the geographical areas and markets where it operates, mitigating climate change risks and their economic and financial impacts.
The management of weather and climate phenomena adopts the best strategies for prevention, protection and boosting resilience, while also carrying out weather forecasting activities. Moreover, best practices are implemented on physical events to ensure a prompt recovery of operating conditions in the event of adverse events. In terms of insurance risk assessment activities, the Group manages loss prevention global programmes 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. All areas of the Group are subject to the ISO 14001 certification and, by applying internationally recognised Environmental Management Systems (EMSs), potential sources of risk are monitored so that any critical issue may be promptly identified. The Group develops short-, medium- and long-term scenarios in the energy and the financial macroeconomic sectors in order to support its strategic and industrial planning, investment valuation, scenario planning and extraordinary transactions.
By gradually integrating climate and transition scenarios, combined with the development of energy system models at country level, it is possible to intercept the effects on variables such as electricity demand, the system energy mix and the electrification of consumption. These activities make it possible to identify and assess related risks and opportunities.
Further information is given in the "Net-Zero Ambition" chapter.

Operational

ENVIRONMENT

REFERENCE SCENARIO AND DESCRIPTION OF RISK

Over the last years, there has been a growing public awareness of the risks connected with development models that generate impacts on environmental quality and on ecosystems through the exploitation of scarce natural resources (including raw materials and water).
In some cases, the 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 various water resource uses having to compete, such as industrial, agricultural and civil uses.
In response to these needs, governments have imposed increasingly restrictive environmental regulations, placing ever more stringent constraints on the development of new industrial initiatives and, in the most impactful industries, incentivizing or requiring the elimination of technologies no longer considered sustainable.
In this context, companies in every sector, and above all industry leaders, are ever more aware that environmental risks are increasingly economic risks. As a result, they are called upon to increase their commitment and accountability for developing and adopting innovative and sustainable technical solutions and development models.

ENVIRONMENT

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

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 implementation 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 production 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, 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 is given in the "Environmental Sustainability"chapter.

HEALTH AND SAFETY

REFERENCE SCENARIO AND DESCRIPTION OF RISK

The main health and safety risks to which Enel personnel and contractors are exposed are associated with operations at the Group's sites and assets. The violation of the laws, regulations and procedures governing health and safety, work environments, management of corporate structures, assets and processes, which could have an adverse impact on the health of employees, workers or stakeholders, can give rise to the risk of incurring administrative or judicial penalties and related economic, financial and reputational impacts.
These risks were identified through an analysis of the main events that have occurred in the last three years. In particular, in terms of probability of occurrence, mechanical incidents (falls, collisions, crushing and cuts) are the most common, while the most severe in terms of potential associated impact are electrical incidents (fatalities).
In addition, in relation to the presence of the Group in different areas of the world, employees and contractors could be exposed to health risks connected with potential emerging infectious diseases of a pandemic and potentially pandemic nature, which could have an impact on googd health and well-being.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

Enel has adopted a Declaration of Commitment to Health and Safety, signed by the Group's top management.
In implementing the policy, each Group Business Line has its own Occupational Health and Safety Management System compliant with the international standard BS OHSAS 18001, which is based on the identification of hazards, the qualitative and quantitative assessment of risks, the planning and implementation of prevention and protection measures, the verification of the effectiveness of the prevention and protection measures and any corrective actions. This system also considers the rigor employed in the selection and management of contractors and suppliers and the promotion of their involvement in programs for continuous improvement of safety performance.
The Enel Group has defined a structured health management system, based on prevention and protection measures, which also plays a role in the development of a corporate culture aimed at promoting the psycho-physical health and organizational well-being of workers, as well as helping to balance personal and professional life.
Furthermore, with regard to emergencies relating to health, safety and the environment, a unit

HEALTH AND SAFETY

has been set up within the HSEQ department of the Parent with liaisons in each Business Line and Country in order to ensure the definition of the global strategy and policies for emergency management 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.

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.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

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 Plan, and in the Policy on Human Rights, while continuing to promote initiatives aimed at sustainable economic development.
The procedures that govern procurement processes are all aimed at guaranteeing behaviors oriented towards the utmost respect the key values of loyalty, professionalism, collaboration, transparency, and traceability of decisional processes.
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 are not limited to guaranteeing 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. In this sense, the Group adopts a procedural system for the routine operation of the various Procurement units that, adopting the practice of tenders almost by default, guarantee 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, LOGISTICS, AND SUPPLY CHAIN

The supplier qualification system is the same across the entire Enel Group, and it monitors verification of the aforementioned requirements. In fact, through the qualification system – even before the procurement process starts – Enel checks that potential suppliers are in line with its strategic vision and expectations in relation to all the mentioned profiles and that they hold the same values. The global supplier qualification system allows accurate assessment of companies that intend to participate in the procurement procedures and represents a guarantee for Enel, because it constitutes an updated list of entities of proven reliability from which to draw, and the possibility, in compliance with the relevant rules in force, for suppliers to be engaged by means of the procurement tenders called by the Group companies. The Supplier Perfomance Management process, which completes the qualification procedure, is designed to monitor performance in relation to the integrity of conduct in tender procedures, quality, punctuality, and sustainability in execution of the contract. Procurement by direct award and without a competitive procedure can occur only in exceptional suitably motivated circumstances in compliance with the relevant statutory legislation.
Supply chain risk management effectiveness is constantly monitored in order to guide procurement strategies.

PROCUREMENT, LOGISTICS, AND SUPPLY CHAIN

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).

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 RELATED STRATEGIC OBJECTIVES

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, Business Line and Country policies 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 "Electrification, digital and platforms" chapter.

BUSINESS INTERRUPTION

REFERENCE SCENARIO AND DESCRIPTION OF RISK

The profound transformations of the energy sector, which has experienced sweeping technological developments, require the presence of new professional profiles and skills, as well as an important cultural and organizational change. Organizations must move to adopt new agile and flexible business models. Policies to enhance diversity and to manage and promote talent have become key factors for companies that are managing the transition and have a widespread geographical presence.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

Enel places the people who work for it at the center of its business model: the management of human capital is a priority for which specific objectives have been established. The main goals include: the development of the digital capabilities and skills made necessary by the Fourth Industrial Revolution, as well as the promotion of reskilling and upskilling programs for employees in order to support the energy transition; the effective involvement of employees in the pursuit of the corporate purpose, which ensures the achievement of better results while offering greater satisfaction to our people; the development of systems for evaluating the working environment and performance; the dissemination of diversity and inclusion policies to all countries in which the Group operates, as well as instilling an inclusive organizational culture based on the principles of non-discrimination

PEOPLE AND ORGANIZATION

PEOPLE AND ORGANIZATION

and equal opportunity, a key driver in ensuring that everyone can make an effective contribution. In addition, Enel is developing specific initiatives to foster the diffusion of agile working methods in business processes. The Group is committed on enhancing the resilience and flexibility of organisational models through simplification and digitalisation in order to enable the effectiveness and autonomy of people working in the company within new smart working arrangements, already effectively tested in response to the Covid-19 pandemic emergency, which will be a key element of future working models.

Governance & Culture

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.

ESG investors are growing constantly: at December 31, 2020, SRI funds constituted approximately 14.6% of the share capital (vs 10.8% at December 31, 2019), while PRI (Principles for Responsible Investment) signatory investors represent 47.8% of the share capital (vs 43% at December 31, 2019).

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 actions and obligations.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

Since 2015 the Company has had a Creating Shared Value (CSV) model that integrates social and environmental factors in corporate processes and throughout the entire value chain, especially in relation to business development, engineering and construction operations, asset management and maintenance, and disposals. By means of this model, the Group makes a proactive commitment with local communities to identify their main needs, which are then integrated into structured action plans, the implementation of which is constantly monitored.

Moreover, Enel promotes inclusive energy transition by way of improvement actions both globally (including public commitments and awareness raising in construction) and at local level, such as the Futur-e program rolled out in Italy and Spain to find sustainable solutions (focused mainly on employment and the development of economic activities) for the areas affected by the abandonment of coal fired plants.

STAKEHOLDER ENGAGEMENT

By means of dialogue with shareholders and bondholders, the Investor Relations unit collects feedback on how to integrate and improve the Group's reporting process and make its communications as effective as possible.

Moreover, since 2019 a proactive engagement activity with the main Enel shareholders has been organized on environmental, social, and governance issues.

Further information is given in the "At a Glance", "Communities and shared values" and "Sound governance" chapters.

Digital Technology

REFERENCE SCENARIO AND DESCRIPTION OF RISK

The speed of technological developments that constantly generate new challenges, the ever increasing frequency and intensity of cyber attacks and the attraction of critical infrastructures and strategic industrial sectors as targets underscore the potential risk that, in extreme cases, the normal operations of companies could grind to a halt. Cyber attacks have evolved dramatically in recent years: their number has grown exponentially, as has their complexity and impact (theft of company and customer data), making it increasingly difficult to promptly identify the source of threats. This exposure reflects the many environments in which the Group operates (data, industry and people), a circumstance that accompanies the intrinsic complexity and interconnection of the resources that over the years have been increasingly integrated into the Group's daily operating processes (see also the "Digital supports and cyber security" chapter in this document).

CYBER SECURITY

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

The Group has adopted a holistic governance approach to cyber security that is applied to all the sectors of IT (Information Technology), OT (Operational Technology) and IoT (Internet of Things). The framework is based on the commitment of top management, on global strategic management, on the involvement of all business areas as well as on the units involved in the design and management of our systems. It seeks to use cutting edge technologies, to design ad hoc business processes, to strengthen people's IT awareness and to implement regulatory requirements for IT security.

In addition, the Group has developed an IT risk management methodology founded on "risk-based" and "cyber security by design" approaches, making business risk analysis the fundamental step in all strategic decisions. Enel has also created its own Cyber Emergency Readiness Team (CERT) in order to proactively respond to any IT security incidents.

Finally, since 2019, the Group also took out an insurance policy for cyber security risks in order to mitigate IT threats. (see also the "Digital supports and cyber security" chapter in this document)

DIGITALIZATION, IT EFFECTIVENESS, AND SERVICE CONTINUITY

REFERENCE SCENARIO AND DESCRIPTION OF RISK

The Group is carrying out a complete digital transformation of how it manages the entire energy value chain, developing new business models and digitalising its business processes, integrating systems and adopting new technologies. A consequence of this digital transformation is that the Group is increasingly exposed to risks related to the functioning of the IT systems implemented throughout the Company with impacts on operational processes and activities, which could lead to the exposure of IT and OT (Operational Technology) systems to service interruptions or data losses.

DIGITALIZATION, IT EFFECTIVENESS, AND SERVICE CONTINUITY

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

These risks are managed using a series of measures developed by the Global Digital Solutions unit (GDS), which is responsible for guiding the Group's digital transformation. It has set up an internal control system that 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 of the Global Digital Solutions unit oversees both the activities performed in-house and those outsourced to external associates and service providers. Furthermore, Enel is promoting the dissemination of a digital culture and digital skills within the Group in order to successfully guide the digital transformation and minimize the associated risks.

Compliance

PERSONAL DATA PROTECTION

REFERENCE SCENARIO AND DESCRIPTION OF RISK

In the era of digitalization and markets globalization, Enel's business strategy focused on accelerating the transformation process towards a business model based on a digital platform, through a data-driven approach focused on the customer, which is being implemented along 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 70 million customers), with a current workforce of approximately 67 thousand people; consequently, the Group's new business model requires the management of an increasingly relevant and growing volume of personal data in order to achieve the financial and business results envisaged in the 2021-2023 strategic plan. This naturally increases our exposure to the risks connected with the protection of personal data, also in view of the increasingly stringent privacy legislation in most of the countries where Enel operates. These risks may result in a loss of confidentiality, integrity and availability of personal data of customers, employees and third parties (e.g. suppliers), causing penalties proportionate to the overall turnover, interdiction from processes and consequent economic or financial losses, as well as reputational damages.

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

In order to manage and mitigate this risk, Enel has adopted a global model of personal data governance 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 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.

OTHER COMPLIANCE RISKS

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 personnel 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 tenders, regulation of electricity markets, etc.).

MITIGATION ACTIONS AND RELATED STRATEGIC OBJECTIVES

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 foreign 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 actively contributes to every phase of the consultation process on political and legislative dossiers of corporate interest through careful monitoring and analysis (see also the chapter "Net zero-ambition").
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 recruiting 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 2020 totaled approximately 8.3 million euros, compared to 7.9 million euros in 2019[3]. In particular, in 2020 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 2020 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 company ethics

| 102-12 | 102-15 | 102-16 | 102-17 | 102-25 | 102-33 | 103-2 | 103-3 | 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 Ethics, Policy on Human Rights, the Zero Tolerance of Corruption Plan ("ZTC 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.

(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: Aelec (formerly "UNESA") 2.1 million euros; Confindustria 1.7 million euros; Elettricità Futura (formerly "Associazione Nazionale delle Imprese Elettriche") 0.7 million euros.

(5) The 2020 contribution was 5.2 million euros.

(6) The 2020 contribution was 3.1 million euros.

Code of Ethics

In 2002, Enel adopted at 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 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/sustainability-topics-and-performances/principles-underpinning-our-work/code-of-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.ethicspoint.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	2020	2019	2018	2020-2019	%
Reports received	no.	151	166	144	-15	-9,0
Violations related to incidents of: (1)	no.	26	38	31	-12	-31,6
Conflict of interest/corruption	no.	2	10	10	-8	-80,0
Misappropriation	no.	14	11	7	3	27,3
Labor practices	no.	9	11	8	-2	-18,2
Community and society	no.	-	-	-	-	-
Other reasons	no.	1	6	6	-5	-83,3

(1) In 2020, the analysis of reports received in 2019 was completed, hence the number of confirmed violations for 2019 was revised from 36 to 38. The two additional violations are to be ascribed to minor cases of private interest in Brazil.

In 2020 a total of 151 reports were received concerning the Code of Ethics, representing a reduction with respect to 2019. Among the reports received there were 2 violation episodes connected to cases of "conflict of interest/corruption", in relation to which Enel adopted specific measures against the employees concerned. As far as cases relating to labor practices are concerned, 79 reports were recorded, the analysis of which resulted in the identification of 9 violations: 5 cases for inappropriate conduct and/or conduct detrimental to personal dignity and 4 cases concerning health and safety issues.

Organizational and Management Model pursuant to Italian Legislative Decree 231/01

Italian Legislative Decree 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.

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, serious 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 South America);
- the Enel Global Compliance Program ("EGCP"), a governance tool aimed at strengthening the Group's ethical and professional commitment to preventing illicits 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.

Enel for respect of human rights

103-2 | 103-3 | 407-1 | 408-1 | 409-1 | 411-1 | 412-1 | 413-1 |

Our corporate 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.

Our commitment to respect for human rights is the common thread that guides our activities, fully integrated in our purpose and throughout our corporate values. Specifically, Enel promotes respect for all internationally recognized human rights in the area of its business relations and it requires adoption of the same principles by contractors, suppliers, and commercial partners, with special attention to high risk contexts or conflict situations.

To ensure optimal respect for our commitments, in 2020 we launched a new due diligence[7] phase in order to guarantee constant monitoring of operations related to the entire value chain through the revision of the existing procedures and processes. The areas of improvement and action plans were finalized in the initial months of 2021 and will be completed within 2022. A total of around **170 actions** have been planned, covering 100% of operations and sites. A new specific methodology will be defined on the global level to apply the due diligence to human rights to single assets, and also integrations of the existing procedures will be assessed in order to extend the assessment to our financial partners.

In confirmation of our commitment, in 2020 approximately 1.5 million training hours were delivered on sustainability topics (up by 29.4% compared to the prior year), of which human rights are a fundamental part; specifically, the courses mainly addressed environmental and worker health and safety issues, with an average of 21.7 hours of training *per capita*, representing an increase with respect to the 2019 figure (16.5 hours). Also available is an online training course dedicated to the topic of human rights, with which Enel engages all people in the Company by sharing experiences and best practices that highlight the key role of human rights. In 2020 more than 5 thousand training hours were delivered on human rights topics, by means of a dedicated online course.

Transparency and ethics are core elements for our Company, which is why we collect and analyze feedback received from our stakeholders. As stated in the stakeholder reports section, all violations or suspected violations can be reported, also anonymously, by means of a single platform at Group level ("Ethics Point"), which is accessible at www.enel.ethicspoint.com.

PROTECT: our commitment

In 2013 the Company adopted the Policy on Human Rights, approved by the Board of Directors of Enel SpA and of each of its subsidiaries. A commitment that strengthens and deepens the values and pillars of corporate ethics based on the Code of Ethics, on the Zero Tolerance for Corruption Plan and on the Model 231.

The policy references the UN Guiding Principles for Business and Human Rights (UNGP) approach – "Protect, Respect and Remedy" – and the principles outlined by the OECD Guidelines for multinational enterprises, designed to promote sustainable management of the business model, and by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work. By adopting these principles and standards, Enel promotes respect of all internationally recognized human rights, including opposition to human trafficking, equal remuneration, and the rights of indigenous peoples.

The Policy identifies eight principles, considered to be those of the greatest impact for the Group's operations, classifying them in two macro-issues – labor practices and community relations – that all Enel SpA people and those of its subsidiaries must respect in the pursuit of their activities. Enel also promotes respect for said principles in the context of all its business relations and compliance with the same standards by its contractors, suppliers, and commercial partners, paying special attention to high-risk or conflict-affected contexts.

The Policy also outlines a governance system which is entrusted with the tasks of implementing and monitoring the activities defined by the Group for the protection and respect of human rights. The tasks include the adoption of a process of due diligence on human rights.

(7) 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, adapting it to the peculiarities of its supply chain and 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, either directly or indirectly. This implies "identifying, preventing, mitigating and reporting" potential negative impacts deriving from the Company's business activities.

In particular:

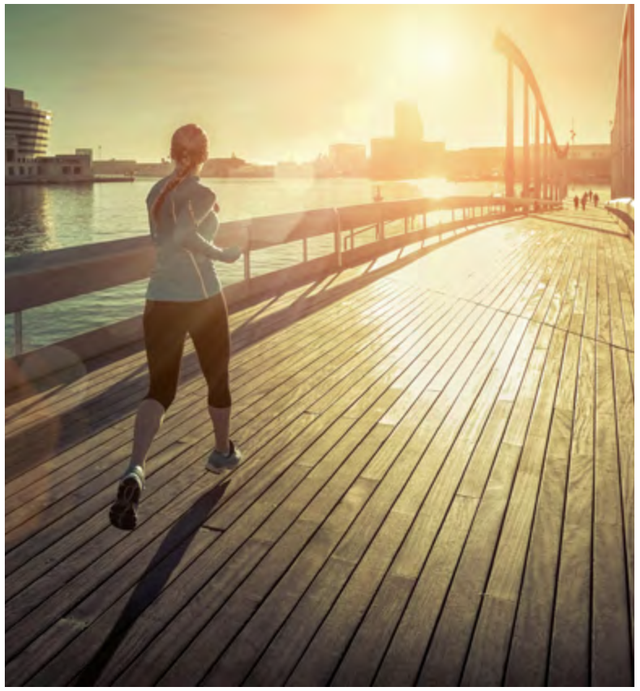
- acting through the Control and Risks Committee and the Corporate Governance and Sustainability Committee, the **Board of Directors** is responsible for examining the main company rules and procedures connected to the Internal Control and Risk Management System of relevance in relation to stakeholders – among which we mention in particular the Organizational and Management Model implemented pursuant to Italian Legislative Decree 231/01, the Code of Ethics, the "Zero Tolerance for Corruption" Plan and the Policy on Human Rights – and submit the documents in question to the approval of the Board of Directors, assessing possible subsequent amendments or integrations;
- the **Innovability Function**, and, in particular, the Sustainability Planning and Performance Management and Human Rights unit, is responsible for managing the positioning on human rights and the associated internal and external communication activities concerning the actions taken, and integrating the Policy on Human Rights in corporate processes and guaranteeing the execution of due diligence activities. Moreover, on an annual basis it reports Enel's performance with respect to the commitments assumed in relation to human rights in the Group Sustainability Report;
- the various **company units** are responsible for implementing the Policy on Human Rights in their respective areas of competence.

RESPECT: the due diligence process

As required by the UN guidelines and based on the Policy principles, Enel has developed a specific process of due diligence of human rights across the entire value chain in the different countries in which it operates. In line with the international reference standards, the process is broken down into four phases:

1. assessment of risk perceived by key stakeholders, at the individual country level, with regard to labor, local community, and environment rights;
2. gap analysis aimed at identifying and analyzing the organizational and risk control systems;
3. development of action plans, in order to cover any areas of improvement that emerged in the previous phase;
4. monitoring of action plans and remedies.

In 2020 the analysis was carried out in accordance with the above described phases, terminating with approval of the specific improvement plans, the actions of which will be adopted in 2021 and 2022. The first two phases of the due diligence process are shown below, while the other two phases are described in the next section **"**REMEDY: Improvement plans".



1. Assessment of the perceived risk

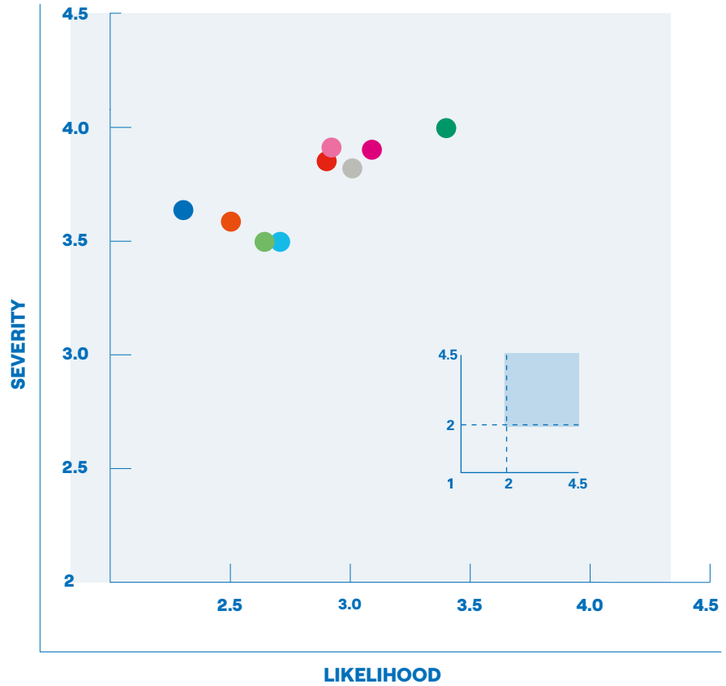
By consulting significant stakeholders and experts in the various sectors, namely civil society, and academic institutions, originating from the various contexts in which the Company operates, Enel has conducted a context analysis to better identify the issues concerning human rights and the most significant connected risks. Specifically, consultations were held with direct and indirect workers, representatives of indigenous populations and local communities, trade unions and local institutions.

The topics included in the Policy on Human Rights were then classified based on the perceived risk level, calculated taking into consideration the seriousness and probability of an effective violation[8].

(8) The risks are classified based on the assessment scale: acceptable risk (minimum level), risk to control, high-priority risk, high risk (maximum level).

Risk analysis results

- Child labor
- Forced or compulsory labor
- Freedom of association
- Community
- Environment
- Zero Tolerance of Corruption (ZTC)
- Occupational health and safety
- Diversity
- Fair and favorable working conditions



This analysis led to the following conclusions:

- issues relating to bribery and environmental impacts have a "high-priority risk" score, requiring companies to implement advanced control and monitoring mechanisms;
- issues strictly connected to labor practices (freedom of association and collective bargaining, rejection of forced labor and child labor, dissemination of just and favorable working conditions, health and safety in the workplace, diversity, and inclusion) and to the mitigation of impacts on local communities are assessed as "risk to control". Protection of local communities is more relevant in South American countries, in line with the results of the previous assessment cycle;
- the topic of health and safety in the workplace continues to be perceived as a critical area to control and monitor in all Group countries.

2. Gap analysis

A gap analysis was performed based on the perceived risk assessment aimed at evaluating the practices and policies adopted to protect human rights in all Group countries. In particular, interviews were conducted with top management and the various areas of the value chain were analyzed in relation to more than 100 indicators. The assessment considered the four parameters of the operative principles defined by the UNGP:

- 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.

Furthermore, the significant information of the due diligence process and the Group's commitment to respect human rights are provided in compliance with the UNGP Reporting Framework.

By means of the management system due diligence activity, the Company is in a position to evaluate 100% of the policies and operational procedures adopted for execution of its direct and indirect operations (e.g. operations concerning the entire value chain and those connected to the establishment of new business relations).

The analysis showed that Enel has a robust set of mechanisms and management systems to protect against possible human rights violations, so the identified risks can be adequately managed.

Topics	Average perceived risk	System to protect human rights	Main policies and procedures to protect human rights	SDG
Labor practices				
Freedom of association and	to control	Robust	Enel is committed to respecting the freedom and collective bargaining rights of its employees. 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
collective bargaining	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. Human resources management systems and procedures guarantee the absence of minors in the workforce. Also apprenticeship projects and school-work experience models are carried out.	8
Rejection of forced labor	to control	Robust		8
Fair and favorable working	to control	Robust		8
conditions	to control	Robust	For details, consult the "Our people" chapter.	5, 10
Rejection of child labor	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 "Environmental sustainability" 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%-75%); Sufficient (25%-50%); To be improved (0%-25%).

By means of the due diligence activity in relation to the management system, the Company can assess 100% of the policies and operational procedures adopted in order to identify the risks of its direct and indirect operations (e.g. new acquisitions, mergers, joint ventures, etc.).

REMEDY: Improvement plans

The perceived risk assessment, together with the gap analysis, makes it possible to assess the residual risk and define any improvement actions required. Specific action plans have therefore been developed for each country of presence, as well as a centrally managed improvement plan to harmonize and integrate, at the global level, processes and policies to be applied at the local level. A total of around **170 actions have been planned, covering 100% of operations and sites**. The plans were launched at the start of 2021 and are scheduled for completion within 2022.
Below, we give several examples of targeted actions in the single countries in which the Group operates:

- in **Italy**: integration of Infrastructure and Networks business development policies;
- in **Russia**: development of specific training activities;
- in **Argentina**: internal awareness raising campaigns;
- in **Brazil**: definition of an operating instruction in order to assess management of human rights of partners and sub-tier suppliers;
- in **Chile**: campaigns for communication with external stakeholders and, especially, with local community representatives.

Labor rights issues are generally perceived as lower risk and also the related control measures and processes are in compliance with both the principles of the main international guidelines and with the Group's internal policies. Notwithstanding, several minor areas of improvement were identified, as shown schematically in the table below.

Value for Disability: the achievement of sustainable development goals by, for, and with people with disabilities

Development inclusive of disability is an essential condition for a sustainable future. In 2015, the United Nations adopted the 2030 Agenda, undertaking to make sure no one gets left behind. This therefore calls for a tangible action to include the one billion people with disabilities in the world, constituting 15% of the entire population, both as agents and beneficiaries of development.

Disability and Policy on Human Rights

Diversity in general and disability in particular are among the topics in the Enel Policy on Human Rights and they are subject to the related due diligence. In 2020, a detailed analysis was carried out on the topic of disability, engaging nine categories of stakeholders including employees, suppliers, customers, social partners, and institutions, through the administration of more than 2 thousand questionnaires in 15 countries. The results were subsequently examined with the support of external experts, categorized in four clusters (accessibility, governance, product & facility design, normative framework) and the risk perception of stakeholders was defined in relation to the topic in accordance with a scale of the perceived risk level (high risk, high-priority risk, medium risk, and low risk). The aspects linked to accessibility and governance were considered to be high priority, but they simultaneously reflected the effective adoption of best practices accompanied by a significant awareness raising campaign.

"Valuable 500" and "Value for Disability"

Participation in 2019 in the "Valuable 500" initiative gave rise in 2020 to the global "Value for Disability" project aimed at promoting full inclusion of people with disabilities in Enel, in the communities in which we operate, and among our customers. Our strategy is aimed at freeing the potential of disability in terms of organizational development, business, and innovation opportunities of the context. Specifically, the project aim is to valorize the abilities of each individual, placing them in relation with the specific social, structural, and organizational factors of each area. This relational perspective also resulted in the creation of new analytical tools designed to highlight the needs of the individual and the possible inclusion actions available to the Company.
The project was organized and managed by an internal PMO that coordinated the work of multifunction teams, engaging people from the various countries in which the Group operates. The global team and local teams were set up by representatives of the Sustainability, People and Organization, and Global Digital Solutions Functions together with the Market and Enel X area, Communications and all the Business Lines. Furthermore, the Country focal points for disability already present in the Company and the creation of local Disability Communities were fundamental in relation to their role of collecting needs, developing and testing the proposed solutions.
Associations were consulted, the current proposals of existing businesses in the world were tested by means of scouting and a learning tour with other companies and, finally, an internal training initiative made it possible to create a common language for all the countries involved. The project considered the main results that emerged during the due diligence process of the human rights management system and, in particular, those related to the perceived risk analysis carried out in the single countries. This analysis made it possible to:

- contextualize the different sensitivities of the main stakeholders interviewed in relation to the diversity topic;
- define analysis clusters (Governance, Product Design, Customer Care) to catalogue the best practices present internally and on the market.

The global disability action plan was presented to the Enel Board of Directors and the specific local action plans were presented to the various Country Managers.
The commitment on the disability topic was also valorized in the new version of the Code of Ethics, which introduced an explicit reference to the topic of accessibility (see Code of Ethics section), and also in the 2021-2023 Sustainability Plan. For further details, refer to the chapters: "Our people", "Electrification, digital and platforms" and "Local and global community".

Topics	Business lines	Countries	Areas of improvement
Freedom of association and collective bargaining	Sustainability/People and Organization	Greece, Australia, India, Brazil	Intensification of training on human rights, with a special focus on relations 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	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 (see box)

(1) Within diversity issues, the assessment subject also includes aspects related to equal remuneration and non-discrimination.

Security and human rights

In line with the Voluntary Principles on Security and Human Rights, Enel is committed to ensuring that the 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" (paragraph 2.2.1 of Enel's Policy on Human Rights). In general, according to national regulations, the security service can only be assigned only to public forces, or to private forces in the absence of legislative provisions. Security management in Enel is entrusted to a dedicated Holding unit and to specific units in the various countries in which the Group operates. The action principles concern:

- proactivity: continuous collection of data and information for the detection and interpretation of weak signals;
- holistic vision: integrated assessment and management of security risks for all potentially exposed assets (people, infrastructure, and intangible assets);
- Open Power: cooperation with the Business Lines, reference institutions and other critical infrastructure operators;
- resilience: adoption of measures to ensure operating continuity of the system and not merely its passive protection.

Data Protection

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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 services we supply to our customers.

To face this challenge, according 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 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**: 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 local legislation law does not require a DPO;
- **Holding and Global Service Functions Data Protection**: promotes privacy by design from phase of process planning at the global level and ensures its consistent development at the national level;
- **Global Business Lines Data Protection**: supports the Global Business Lines'compliance concerning data protection, and monitors the evolution of data protection certification mechanisms for products and services;
- **Country units**: for the protection of national data with the task of monitoring the evolution of legislation at the local level. In 2020 DPOs office were set up in South America (Argentina, Brazil, Chile, Colombia, Peru), alongside the European area units already in place (Italy, Portugal, Romania, Spain).

Internal tools were developed based on the size and complexity of Enel, in order to guarantee compliance of protection of personal data and promotion of data to foster the presence of Enel in the European data economy, including the record of personal data processing activities and data protection impact assessment (DPIA - Data Protection Impact Assessment). The DPOs implement processes and activities in compliance with applicable data protection laws and are committed to drawing up data protection agreements and clauses; planning data governance and corporate policies; providing privacy consulting in the design phase; ensuring adequate risk management by making intensive use of the DPIA and monitoring the consistency of data protection policies within the organization, especially among European and non-European legal entities.

In 2020, the Group's European companies handled **more than 24 thousand[9] communications concerning personal data protection from customers,** and collaborated with the national authorities, receiving 100 requests for information and clarifications from which two penalties emerged against the Romanian company Enel Energie Muntenia.

In Italy, Servizio Elettrico Nazionale previously reported the Authority for the Protection of Personal Data in advance an incident concerning the personal data of several ex-employees with electricity supply that occurred following a cyber attack that occurred on October 19 (refer to the "Cyber security incident management" section). On December 23, 2020, the Authority completed the investigation of the personal data breach that was the subject of the notification and closed the case. In addition, with regard to Enel Energia, the company notified the Authority for the Protection of Personal Data of three data breaches: the first in January 2020 concerning the theft from a store of several electricity supply contracts; the second in March 2020, due to the publication of data (personal details, contact data and contractual data from 2013) of around 3,640 customers on a website (procedure dismissed by the Data Commissioner on July 28, 2020); the third in June 2020 originating from the theft, by four ex-employees of a partner agency of Enel Energia, of copies of the contracts they managed during their term of employment.

With regard to e-distribuzione, the company notified the Authority for the Protection of Personal Data of a data breach because, in June 2020 a contractor company accidentally disclosed a databased on the Internet containing the details of 400 thousand customers (name and surname, POD code and address) connected to the e-distribuzione network.

In **Romania** E-Distribuție Banat, E-Distribuție Dobrogea, E-Distribuție Muntenia, together with Enel Energie and Enel Energie Muntenia, informed the competent authority of a presumed data breach concerning customers' personal data which occurred following a cyber attack experienced on October 19 (refer to the "Cyber security incident management" section).

In **Spain**, Endesa Energía SAU and Energía XXI suffered a personal data breach that was reported to the competent authority on April 3, 2020.

Also, in **Brazil** Enel Distribuição São Paulo logged a data breach in November 2020 related to personal data of some customers. The company immediately activated its security protocols in order to mitigate the impact of the incident. In parallel, the above company informed the competent authorities of the data breach and has also adequately informed the customers involved.

(9) The difference compared to the 2019 figure (more than 40 thousand communications) is due to a more granular application of the criteria employed, which made it possible to identify customer communications concerning personal data protection with greater clarity.

3
TREND TOPIC

- We pay close attention to **tax issues** and their social role, as well as to transparency in general as a factor for promoting sustainable development
- For the first time, we have developed a process to analyse the applicability of the European **taxonomy** throughout the value chain
- We report annually on the allocation in our **green bonds** (2017, 2018, 2019)

TAX TRANSPARENCY APPROACH

| 207-1 | 207-2 | 207-3 |

Enel is an industrial group whose main activity involves energy generation, distribution and sales. The choice of countries where the Group operates is guided by business assessments and not by tax reasons.

Tax strategy

Since 2017, the Enel Group has adopted a tax strategy, as a set of principles and guidelines inspired by values of transparency and legality, which is published on the website: 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

Enel SpA's Board of Directors sets out the tax strategy of the entire Group, with the aim of ensuring uniform tax management for all entities involved. The strategy is underpinned by the following approach:

- correct and timely determination and settlement of taxes due under the law and implementation of the respective obligations;
- correct management of the tax risk, which is the risk incurred for the violaa tion of tax rules or abuse of the principles and purposes of the tax system.

Tax strategy principles

The tax strategy principles are the guidelines for Group companies, underpinning their business operations when managing the fiscal variable. The principles also require suitable processes to be adopted to ensure their effectiveness and application.

Values: in line with its sustainability strategy, the Group acts in accordance with the values of honesty and integrity in its tax management, being well aware that tax revenue is one of the main sources of contribution to economic and social development of the countries where it operates.

Legality: the Group pursues behavior geared towards compliance with the applicable tax rules and is committed to interpreting them in a way that respects both the substance and form.

Tone at the top: the Board of Directors has the role and responsibility of leading the dissemination of a corporate culture based on the values of honesty and 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 a business cost 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, through the Tax unit, which also manages its periodic updates.

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 reflect 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 order to minimize tax risks, and 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.

These intercompany payables may be recorded either at amortized cost, using the effective interest rate method, or at fair value as required by IFRS 13.

Based on the OECD Guidelines, the pricing method to be used to test the arm's length nature of a transaction between associated companies is one which is based on the facts and circumstances of the transaction under analysis and which is able to provide the most reliable measure in line with the market.

Where transactions with comparable characteristics can be identified on the open market (e.g. indexation, maturity, amortization schedule), the comparable uncontrolled price (CUP) method is the most direct and reliable method for applying the arm's length principle. This method is therefore preferred over any other in such cases.

As such, the Group has put internal policies in place to support the methods set out in the OECD Guidelines, whereby the CUP method is applied in the first instance.

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 third-party purchases of a group of companies), 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 results in a reduction of long-term tax liabilities. Some countries where the Enel Group operates offer various incentives. The Enel Group only uses widely applicable tax incentives for all operators, respecting 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 organizational 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 optimization 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[1]. 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 addition to the tax strategy there are specific organizational 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.

(1) For example: Code of Ethics; Zero Tolerance of 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 (national collective bargaining agreement); any other documentation relating to the current control systems; the relevant accounting standards; procedures and IT applications.

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 relevant 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 individual country in question.
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 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 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 Integrated Annual Report 2020.

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" in 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.

Transparent relationship with stakeholders

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 associations 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 operating since 2017 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 two studies relating to the EU/EFTA Total Tax Contribution for the years 2018 and 2019, 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, for the year 2019, a dedicated section with Country-by-Country Reporting.

Reporting

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[2] 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 topics, 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 withheld.

Beginning 2020, on the other hand, we adopted an integrated model: the Tax Transparency Report. This is prepared consistently with the rules provided for under OSCE Country-by-Country Reporting[3] 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/en/investors1/sustainability-performance). 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[4] 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 OCSE[5], the Tax Transparency Report classifies the different taxes into categories and distinguishes them between those that constitute an expense for a 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**[6]: this category includes taxes on company profits that can be both borne (e.g. corporate income tax that may be levied on State or local level, trade tax on business profits, solidarity surcharge, 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).

- **Property – Property taxes**: taxes on the ownership, use or transfer of tangible or intangible property. This category includes both taxes borne (e.g. taxes on ownership and use of property; capital tax levied on share capital increase, transfer taxes on the acquisition or disposal of assets, net wealth and capital transactions; registration duties; stamp duties related to transfer of real estate; stamp duty on share transfers; tax on financial operation sleviedon transactions involving foreign loans or financing, etc.), and taxes collected (e.g. rental of business duty collected by the leaser and paid to the government).
- **Employment tax**: this category generally includes taxes on employment, including those on income tax and social security paiments. Taxes levied on the employer are considered taxes borne (e.g. social security contributions, health insurance, pensions, disabilement contributions), while taxes levied on the employee are considered as taxes collected (e.g. personal income tax or social security contributions levied on the employee which are normally withheld by the employer).
- **Products – Taxes on products and services**: indirect taxes levied on production, sale or use of goods and services, including taxes and duties levied on international trade and transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, notwithstanding that these may be paid to the supplier of the goods and services, rather than directly to the government. This category includes both taxes borne (e.g. consumption tax; tuornover tax; excise duties; customs duties; import duties; taxes on insurance contracts; taxes on the use and ownership of motor vehicles; unrecoverable VAT) and taxes collected (e.g. net VAT paid).
- **Planet – Environmental taxes**: taxes levied on the supply, use or consumption of goods and services considered harmful to the environment. Examples of taxes borne are: taxes on the value of the electricity production, taxes on the production of nuclear fuels and carbon tax and of taxes collected: tax on electricity and tax on hydrocarbons.

Furthermore, the financial-equity data represented follow the **accounting requirements** below.

Source of the data: 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 with 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)[7].

With reference to the list of companies in the Group and their activities, please refer to the specific prospectus in the Integrated Annual Report 2020[8].

Currency: the report considers the euro as the currency of

(2) 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 by a year the activities required for tax reporting.

(3) Beginning 2018, the Enel Group presented the Country-by-Country Reports for the years 2016, 2017, 2018 and 2019. 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 OCSE 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.

(4) The data for taxes paid includes payments on account, taxes related for previous years, including after assessments, net of refunds obtained. Interest and penalties are not considered.

(5) Working Paper no. 32, "Legal tax liability remittance responsibility and tax incidence".

(6) In line with the reporting criteria applied to Revenues and to Profit (Loss) before taxes explained below, the data solely for income taxes paid excludes the portion of same concerning dividends paid by the companies within the scope, as also indicated by the OCSE in the report "Guidance on the Implementation of Country-by-Country Reporting" published in December 2019, point II,7.

(7) 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).

(8) 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 annexes 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.

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[9] sense to include all revenues, including those from extraordinary operations.

Cross-border intercompany 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[10].

Profit (Loss) before income taxes: the sum of Profits (Losses) before income taxes generated in the year of reference and of all entities within the scope in each tax jurisdiction. The Profits (Losses) before income taxes must include all items involving revenues and extraordinary expenses[11].

Corporate income tax accrued (current taxes): the sum of current taxes (i.e. for the current year) 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.

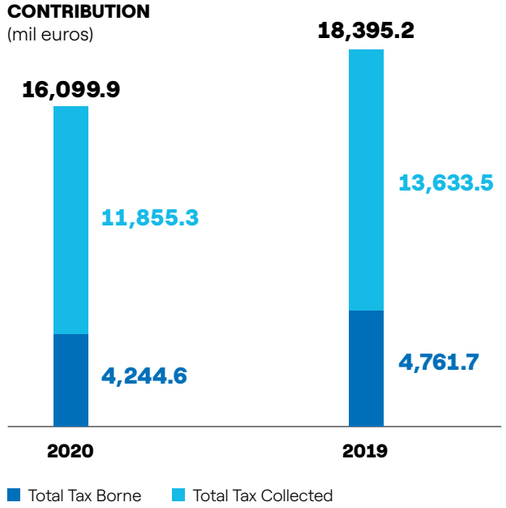
Tangible assets: the sum of net accountable values of tangible fixed assets resulting from the balance sheet, of all entities within the scope in each tax jurisdiction[12].

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.

Tax Transparency Report – general analysis

The total tax contribution (TTC)[13] with respect to all the countries in which we operate in 2020 was **16,099.9 million euros**, down **2,295.3 million euros** (-12.5%) compared to 2019.

TOTAL TAX CONTRIBUTION
(mil euros)



The distribution of the overall contribution in the various countries in which the Group operates is given in the following table, with 89% concentrated in Italy, Spain and Brazil, which represent about 80% of Group revenues.

TOTAL TAX CONTRIBUTION BY COUNTRY
(mil euros)

(9) 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.

(10) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the paying subject.

(11) 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 OCSE in the report "Guidance on the Implementation of Country-by-Country Reporting" published in 2019, point II,7).

(12) Tangible fixed assets do not include cash and cash equivalents, intangible assets or financial assets.

(13) The total tax contribution has been calculated considering the main countries in which the Group is present. These represent more than 98% of revenues and 99% 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 and Canada.

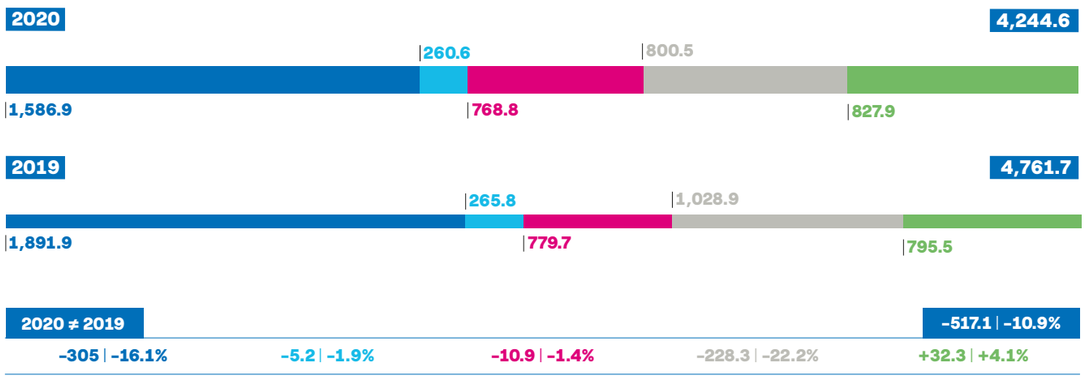
The effects of the Covid-19 pandemic have influenced the demand for electricity and gas and, consequently, the total tax contribution. Despite the difficult economic conditions, the results of the analysis show that the tax contribution of the Enel Group in the main countries in which it is present remain very significant.

In this context, characterized by a slow-down in growth in economies the world over and by the increase in the rate of unemployment, taxes linked to revenues/profits go down before those linked to property and employment, the latter also due to unemployment benefits introduced by many governments.

From the general analysis of the data of the total contribution of the Group divided into the five tax categories, the following can be highlighted: a tendential stability in property taxes and taxes on employment, the latter also underlining the stable approach that the Company has had towards its employees in this particular historical period; a reduction of income taxes and taxes on products and services, since these are linked to revenues and to production and consumption, all down in the same period. Environmental taxes remain stable despite the reduction in production and consumption of commodities due to increases decided upon by different governments in the context of their respective tax rates.

In general, the significant value of taxes paid highlights once again the importance of the Group's tax contribution to the communities in which it operates as support for their stability and resilience, an element that is even more necessary to meet the new needs that have emerged due to Covid-19.

TAXES BORNE
(mil euros)

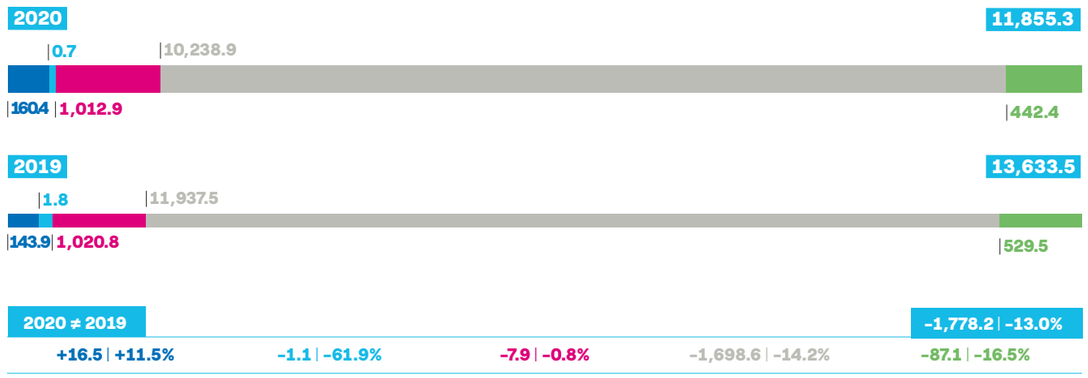


In 2020, the **Total Taxes Borne**[14] amounted to **4,244.6**[15] **million euros**, down by **517.1 million euros** (-10,9%) overall compared to 2019, essentially due to the reduction of income taxes and taxes on products and services, respectively **305.0** and **228.3 million euros** in 2020. In contrast, an increase in environmental taxes is registered (**32.3 million euros)** prevalently due to the introduction of new types of such taxes and to the increase in the rates of those already existing.

The payment of income taxes is down overall by **305.0 million euros**. The most significant reductions are in Spain (**348.7 million euros**) and Chile (**110.3 million euros**) due to the effect of (i) refunds obtained for excess taxes prepaid in previous financial years, (ii) write-downs due mainly to the process of decarbonization not deducted fiscally in 2019 in Spain[16], and (iii) tax measures introduced by local authorities to support companies following Covid-19 in Chile; furthermore, there were reductions in Mexico (**92.5 million euros**), where in 2019 one-off taxes on extraordinary transactions were paid. There were further reductions in income taxes in Peru, Panama and Russia (for an overall total of **68.6 million euros**) mainly due to the reduction in income due to Covid-19. This was partially offset by an increase in income taxes in Italy of **284.3 million euros**, due mainly to greater advance taxes paid in 2020 compared to 2019[17].

The reduction in taxes on products and services amounts overall to **228.3 million euros**. The main reductions are in Brazil (**236.5 million euros**) on account of the presence of tax credits due to greater payments[18] made in previous years and in Spain (**27.7 million euros**) due to a fall in electricity and gas sales linked to the already mentioned slow-down in economic activity. This was partially offset by an increase of these taxes in Italy of **32.3 million euros**, which can be explained exclusively by the significant increase in excise duty on coal destined for electricity production, partially offset by the decrease in the consumption of coal as a consequence of the Group's decarbonization program.

TAXES COLLECTED
(mil euros)



Total Taxes Collected amount to **11,855.3 million euros**, down **1,778.2 million euros** (-13.0%). This reduction is due essentially to lower indirect taxes paid on account of the drop in sales and consumption of electricity caused by Covid-19. More specifically, taxes are down on products and services in Italy, Brazil and Spain, respectively by **741.9**, **622.1** and **316.1 million euros** and environmental taxes in Spain of **103.2 million euros**.

(14) axes Borne are taxes that constitute a cost for a company.

(15) Taxes Borne include taxes of 1,540.5 million euros paid on the income of companies in 2020 and 1,828.1 million euros in 2019.

(16) As a result of the strategy of progressive abandonment of coal production, Spain in 2019 saw significant write-downs to the value of plants, which, on the basis of the Country's tax regulations, were not deducted, but will be in subsequent years during the useful residual life of the plants.

(17) Prepaid taxes in 2020 were calculated using the historical method and are up due to the increase in taxable income between 2018 and 2019.

(18) These are taxes destined for the Program of Social Integration (PIS) and COFINS (Contribution for the Financing of Social Security) in Brazil.

A representative global and concise index of the **Group's tax contribution** from a cash perspective is:

TTC Rate 52.3%

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 TTC rate went from 63.5% in 2019 to 52.3% in 2020; the difference of 11.1% is the result both of the reduction in 2020 of **Total Taxes Borne** of **517.1 million euros** and of the increase in the same year of **EBT** ante **Tax Borne** of **608.6 million euros**, the latter connected mainly to the effect of greater impairments due to the process of decarbonization carried out on plants in 2019.

A concise indicator for **corporate income is represented by**:

Current Income Tax Rate 39.7%

At Group level, in FY2020 the **Current Income Tax Rate** determined as the ratio between corporate income taxes accrued on profits/losses (2.15 billion euros) and profit before income taxes (5.41 billion euros) is **39.7%**, greater than the average rate of the member States of the OCSE (23.27%)[1].

(1) Source OECD Stat, "Table II.1. Statutory corporate income tax rate" – Combined corporate income tax rate.

With regard to the **corporate income tax accrued on profits/losses** and in line with the best practices indicated by the OSCE[19], in addition to the data for taxes paid in cash the following tables also provide 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 matured. The trends of the two values are destined to boardly realign over time. In 2020, current taxes at Group level were 2.15 billion euros and differ from taxes paid by 0.6 billion euros, mainly due to rebates in Spain and Chile as a consequence of excess taxes paid with respect to income produced in preceding years, as already mentioned in the paragraph on taxes borne.

(19) 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 COUTRIES

	UM	Italy	Spain	Russia	Romania	Netherlands	2020	2019	2020-2019	%
Taxes Borne (cash accounting)	**mil euros**	**1,742.4**	**1,059.9**	**28.7**	**29.5**	**44.4**	**2,905.0**	**2,939.2**	**-34.2**	**-1.2**
Profit taxes	mil euros	1,025.4	-112.2	13.2	21.1	43.4	**990.9**	**1,067.6**	**-76.8**	**-7.2**
Income tax	mil euros	1,025.4	-136.2	13.2	21.1	43.4	**966.9**	**1,036.9**	**-70.0**	**-6.7**
Property taxes	mil euros	129.9	69.7	5.6	4.1	-	**209.4**	**204.0**	**5.4**	**2.6**
Employment Taxes	mil euros	523.2	137.7	9.9	1.9	0.2	**672.9**	**670.1**	**2.8**	**0.4**
Taxes on products and services	mil euros	57.9	201.3	0.0	2.4	0.9	**262.5**	**257.8**	**4.7**	**1.8**
Planet/Environmental Taxes	mil euros	6.0	763.3	0.0	0.0	-	**769.3**	**739.7**	**29.6**	**4.0**
Taxes Collected (cash accounting)	**mil euros**	**7,390.3**	**1,723.2**	**98.1**	**192.8**	**15.8**	**9,420.2**	**10,512.4**	**-1,092.1**	**-10.4**
Profit taxes	mil euros	2.6	74.4	0.0	-	-	**77.1**	**74.5**	**2.6**	**3.4**
Property Taxes	mil euros	-	-	-	-	-	**-**	**-**	**-**	**-**
Employment Taxes	mil euros	581.1	259.0	5.3	34.1	0.5	**880.0**	**872.5**	**7.6**	**0.9**
Taxes on products and services	mil euros	6,806.5	973.5	92.9	158.7	-	**8,031.6**	**9,045.9**	**-1,014.3**	**-11.2**
Planet/Environmental Taxes	mil euros	-	416.3	-	-	15.3	**431.5**	**519.4**	**-87.9**	**-16.9**
Total Tax Contibution (cash accounting)	**mil euros**	**9,132.7**	**2,783.1**	**126.9**	**222.3**	**60.2**	**12,325.2**	**13,451.6**	**-1,126.4**	**-8.4**
Economic data	**UM**	**Italy**	**Spain**	**Russia**	**Romania**	**Netherlands**	**2020**	**2019**	**2020-2019**	**%**
Revenues Unrelated	mil euros	40,231.6	15,761.0	547.6	1,401.3	2,209.8	**60,151.3**	**70,670.3**	**-10,518.9**	**-14.9**
Revenue related cross border	mil euros	2,088.8	1,032.4	5.5	4.9	1,531.0	**4,662.6**	**4,101.5**	**561.1**	**13.7**
Profit (Loss) before income tax	mil euros	1,532.8	1,637.3	52.3	223.3	301.4	**3,747.0**	**1,659.5**	**2,087.5**	**125.8**
Income tax accrued	mil euros	1,038.0	120.0	10.7	23.8	75.2	**1,267.8**	**1,358.7**	**-90.9**	**-6.7**
Tangible assets other than cash and cash equivalents	mil euros	28,235.7	22,958.2	606.5	1,993.0	0.1	**53,793.4**	**52,949.5**	**844.0**	**1.6**
Number of employees	no.	29,777	9,659	1,475	3,248	20	**44,179**	**45,464**	**-1,285**	**-2.8**

EUROPE – MINOR COUNTRIES[1]

Economic data	UM	Bulgaria	France	Germany	Greece	Ireland	Norway	Poland	Portugal	Slovakia	Turkey	United King-dom	2020	2019	2020-2019	%
Revenues Unrelated	mil euros	9.2	277.7	223.2	111.9	8.9	0.2	2.5	973.1	0.1	0.1	11.1	**1,618.0**	**1,697.3**	**-79.4**	**-4.7**
Revenue related cross border	mil euros	0.1	30.0	37.1	3.6	3.0	0.1	-	108.1	-	1.9	1.0	**184.8**	**195.5**	**-10.6**	**-5.4**
Profit (Loss) before income tax	mil euros	4.1	-6.7	-19.9	27.9	1.0	-0.9	-2.1	63.6	-1.4	-2.4	-1.2	**61.8**	**48.5**	**13.4**	**27.6**
Income tax accrued	mil euros	0.4	0.1	-0.9	6.0	0.0	-	-	-9.1	-	0.0	0.3	**-3.2**	**6.7**	**-9.9**	**-147.5**
Income tax paid	mil euros	0.4	1.6	-0.3	0.3	0.0	-	-	10.6	-	0.0	0.1	**12.7**	**1.2**	**11.4**	**916.3**
Tangible assets other than cash and cash equivalents	mil euros	31.4	23.0	0.7	628.8	1.6	0.1	0.0	16.5	0.0	0.1	9.1	**711.3**	**688.2**	**23.1**	**3.4**
Number of employees	no.	6	57	23	114	52	11	13	61	1	2	25	**365**	**329**	**36**	**10.9**

(1) Beyond 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: Croatia, Serbia and Sweden.

NORTH AMERICA

	UM	USA & Canada	Mexico	2020	2019	2020-2019	%
Taxes Borne (cash accounting)	**mil euros**	**43.4**	**18.9**	**62.3**	**153.0**	**-90.7**	**-59.3**
Profit taxes	mil euros	3.5	15.4	**19.0**	**111.3**	**-92.4**	**-83.0**
Income tax	mil euros	3.5	15.4	**19.0**	**111.3**	**-92.4**	**-83.0**
Property taxes	mil euros	32.9	0.2	**33.1**	**26.6**	**6.5**	**24.5**
Employment Taxes	mil euros	6.6	1.9	**8.6**	**14.5**	**-6.0**	**-41.1**
Taxes on products and services	mil euros	0.3	1.3	**1.7**	**0.6**	**1.1**	**187.5**
Planet/Environmental Taxes	mil euros	-	-	-	-	-	-
Taxes Collected (cash accounting)	**mil euros**	**45.3**	**22.0**	**67.3**	**66.9**	**0.4**	**0.6**
Profit taxes	mil euros	-	0.6	**0.6**	**0.0**	**0.6**	**13,013.3**
Property Taxes	mil euros	-	0.7	**0.7**	**1.8**	**-1.1**	**-61.9**
Employment Taxes	mil euros	44.7	4.1	**48.9**	**48.2**	**0.7**	**1.4**
Taxes on products and services	mil euros	0.6	16.6	**17.2**	**17.0**	**0.2**	**1.3**
Planet/Environmental Taxes	mil euros	-	-	**-**	**-**	**-**	**-**
Total Tax Contibution (cash accounting) - TTC	**mil euros**	**88.8**	**40.9**	**129.6**	**219.9**	**-90.3**	**-41.1**

Economic data	UM	USA e Canada	Messico	2020	2019	2020-2019	%
Revenues Unrelated	mil euros	1,271.0	164.6	**1,435.6**	**2,340.5**	**-904.9**	**-38.7**
Revenue related cross border	mil euros	24.6	3.0	**27.7**	**40.5**	**-12.8**	**-31.6**
Profit (Loss) before income tax	mil euros	201.6	-32.8	**168.9**	**424.2**	**-255.4**	**-60.2**
Income tax accrued	mil euros	0.0	8.7	**8.7**	**14.7**	**-6.0**	**-40.6**
Tangible assets other than cash and cash equivalents	mil euros	7,305.7	1,207.0	**8,512.7**	**13,470.2**	**-4,957.6**	**-36.8**
Number of employees	no.	1,306	333	**1,639**	**1,639**	**-**	**0.0**

LATIN AMERICA[1]

	UM	Brazil	Chile	Colombia	Argentina	Peru	Panama	Guatemala	Costa Rica	2020	2019	2020-2019	%
Taxes Borne (cash accounting)	**mil euros**	**639.9**	**40.8**	**364.8**	**111.5**	**98.4**	**17.7**	**2.6**	**1.7**	**1,277.4**	**1,669.5**	**-392.1**	**-23.5**
Profit taxes	mil euros	141.4	3.2	249.2	83.5	80.8	15.9	2.2	0.9	**577.0**	**712.9**	**-135.9**	**-19.1**
Income tax	mil euros	141.4	3.2	233.1	79.6	79.2	15.9	1.9	0.4	**554.6**	**679.8**	**-125.2**	**-18.4**
Property taxes	mil euros	10.9	2.8	1.5	1.0	1.3	0.2	0.2	0.2	**18.1**	**35.2**	**-17.1**	**-48.5**
Employment Taxes	mil euros	56.3	-	12.7	15.1	1.9	0.6	0.2	0.5	**87.3**	**95.1**	**-7.8**	**-8.2**
Taxes on products and services	mil euros	430.8	6.2	79.1	7.7	12.7	0.0	0.0	-	**536.4**	**770.5**	**-234.1**	**-30.4**
Planet/Environmental Taxes	mil euros	0.4	28.7	22.3	4.3	1.7	1.1	-	-	**58.5**	**55.8**	**2.7**	**4.9**
Taxes Collected (cash accounting)	**mil euros**	**1,849.0**	**198.2**	**57.8**	**173.4**	**78.1**	**5.5**	**4.5**	**1.2**	**2,367.8**	**3,054.2**	**-686.4**	**-22.5**
Profit taxes	mil euros	19.3	34.1	15.6	7.0	1.6	4.5	0.6	0.0	**82.8**	**69.4**	**13.3**	**19.2**
Property Taxes	mil euros	-	-	-	-	-	-	-	-	**-**	**-**	**-**	**-**
Employment Taxes	mil euros	32.3	16.9	10.0	15.9	8.1	0.7	0.1	0.0	**84.0**	**100.1**	**-16.1**	**-16.1**
Taxes on products and services	mil euros	1,797.4	147.2	21.4	150.5	68.5	0.3	3.7	1.2	**2,190.2**	**2,874.6**	**-684.4**	**-23.8**
Planet/Environmental Taxes	mil euros	-	-	10.9	-	-	-	-	-	**10.9**	**10.0**	**0.8**	**8.1**
Total Tax Contibution (cash accounting) - TTC	**mil euros**	**2,488.9**	**239.0**	**422.6**	**284.9**	**176.5**	**23.2**	**7.0**	**2.9**	**3,645.1**	**4,723.7**	**-1,078.6**	**-22.8**

Economic data	**UM**	**Brazil**	**Chile**	**Colombia**	**Argentina**	**Peru**	**Panama**	**Guatemala**	**Costa Rica**	**2020**	**2019**	**2020-2019**	**%**
Revenues Unrelated	mil euros	7,298.1	3,188.6	2,079.7	1,586.4	1,171.9	136.7	45.2	21.9	**15,528.5**	**18,871.1**	**-3,342.6**	**-17.7**
Revenue related cross border	mil euros	39.5	144.9	7.1	62.5	0.0	0.5	0.9	0.4	**255.8**	**240.2**	**15.6**	**6.5**
Profit (Loss) before income tax	mil euros	286.7	-40.0	740.1	140.8	269.0	83.4	16.7	-5.3	**1,491.4**	**2,485.4**	**-993.9**	**-40.0**
Income tax accrued	mil euros	112.4	343.7	237.4	52.4	96.5	26.9	2.1	1.3	**872.6**	**856.8**	**15.9**	**1.9**
Tangible assets other than cash and cash equivalents	mil euros	2,602.5	5,998.5	3,652.0	1,287.7	2,275.9	339.2	309.8	145.3	**16,610.8**	**18,391.0**	**-1,780.2**	**-9.7**
Number of employees	no.	10,137	2,259	2,191	4,074	954	99	86	37	**19,837**	**20,238**	**-401**	**-2.0**

(1) Beyond 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: Uruguay, El Salvador.

AFRICA AND OCEANIA[1]

Economic data	**UM**	**Kenya**	**Marocco**	**Zambia**	**Australia**	**Algeria**	**New Zealand**	**Egypt**	**South Africa**	**2020**	**2019**	**2020-2019**	**%**
Revenues Unrelated	mil euros	0.0	5.5	6.1	13.6	0.5	5.1	-	83.5	**114.2**	**145.6**	**-31.4**	**-21.6**
Revenue related cross border	mil euros	-	-	-	2.1	-	0.8	-	0.3	**3.2**	**24.0**	**-20.9**	**-86.9**
Profit (Loss) before income tax	mil euros	-0.5	2.0	-9.4	-44.2	-0.2	0.8	-0.1	-0.0	**-51.6**	**-7.9**	**-43.6**	**550.1**
Income tax accrued	mil euros	-	0.7	-	-0.2	-	0.2	-	-	**0.8**	**0.2**	**0.6**	**298.8**
Income tax paid	mil euros	-	0.8	-	0.7	-	-	-	0.3	**1.7**	**-0.6**	**2.4**	**-367.6**
Tangible assets other than cash and cash equivalents	mil euros	0.0	1.2	21.4	23.5	0.0	0.0	-	1,147.4	**1,193.6**	**951.9**	**241.6**	**25.4**
Number of employees	no.	2	31	6	85	1	9	-	166	**300**	**262**	**38**	**14.5**

(1) Oltre a quanto rappresentato, in alcune giurisdizioni fiscali, il Gruppo è presente tramite entità in fase pre-operativa e/o in liquidazione che presentano valori complessivamente immateriali. Per questo motivo tali Paesi non sono rappresentati all'interno del report: Arabia Saudita, Etiopia e Namibia.

ASIA

Economic data	**UM**	**Indonesia**	**China**	**Israel**	**Singapore**	**Japan**	**India**	**South Korea**	**Taiwan**	**2020**	**2019**	**2020-2019**	**%**
Revenues Unrelated	mil euros	0.0	0.0	0.1	-0.1	8.0	15.1	24.8	0.1	**48.0**	**53.4**	**-5.4**	**-10.2**
Revenue related cross border	mil euros	-	-	0.5	0.0	0.2	5.9	0.0	-	**6.7**	**4.6**	**2.1**	**46.0**
Profit (Loss) before income tax	mil euros	-0.3	-0.8	-0.2	-2.7	-1.0	3.7	-2.5	-0.7	**-4.7**	**-8.9**	**4.2**	**-47.3**
Income tax accrued	mil euros	-	-	0.0	-	0.0	-	-	-	**0.0**	**0.1**	**-0.1**	**-84.9**
Income tax paid	mil euros	-	-	-	0.0	0.0	0.1	-	-	**0.1**	**0.2**	**-0.0**	**-16.2**
Tangible assets other than cash and cash equivalents	mil euros	0.9	0.1	0.0	0.2	0.3	116.0	1.6	0.2	**119.4**	**78.1**	**41.3**	**52.8**
Number of employees	no.	1	6	1	3	19	322	38	6	**396**	**318**	**78**	**24.5**

Reconciliations with the Integrated Annual Report 2020

In the following paragraphs, a reconciliation of data represented in the Tax Transparency Report is made with respect to the contents of the Integrated Annual Report 2020.
This reconciliation is necessary given the different methods for drafting the Tax Transparency Report – which have been changed by the OSCE 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	78,896	64,985	13,911
Profit (Loss) before taxes	5,413	5,462	- 50
Tangible assets	80,941	79,602	1,339
Taxes paid	1,555	1,575	- 21

Third party revenues

The main deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report 2020 are:

(i) **Commodity management without physical delivery (-4,980 billion euros)**: according to international accounting principles, derivatives on commodities without physical delivery are represented in the balance sheet on the basis of net movements (revenues/expenses), while for the purposes of the Tax Transparency Report they are represented in open items;

(ii) **Financial income (-4,607 billion euros)**: economic data for financial income is treated in a specific line of profit and loss and not among revenues, as required, con-

(iii) **Wheeling system charges (-4,409 billion euros)**: for the purposes of the Integrated 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;

(iv) **Dividends from Companies accounted for using the equity method (70 million euros)**: for the purposes of the Integrated Annual Report, dividends received from companies consolidated using the full consolidation, proportional or equity method are eliminated;

(v) **Other consolidation adjustments** made on the basis of the application of international accounting principles (**156 million euros**)[21].

Third party revenues Tax Transparency Report	78,895
Commodity management without physical delivery	-4,980
Financial income	-4,607
Wheeling	-4,409
Dividends from companies accounted for using the equity method	-70
Other consolidation adjustments	156
Revenues Consolidated Financial Statements	64,985

(20) For the purposes of Country-by-Country Reporting (BEPS Project - Action 13).

(21) 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 and (iii) capitalizations of financial expenses in cases of equity injection.

Profit (Loss) before income taxes

The main deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report 2020 are:

(i) for the purposes of the Integrated Annual Report the following items are subject to elimination/elision while they are considered at the level of individual financial statements:
   a. **Impairment on consolidated equity investments using the full consolidation method (1.3. billion euros)**;
   b. **Release of funds to profit and loss** (-**34 million euros**);
   c. **Intercompany gains** (**-1.5 million euros**);
   d. **Dividends from companies accounted for using the equity method (-70 million euros)**;

(ii) **Result of companies accounted for using the equity method** (**-332 million euros**): equity investments in joint ventures/associates accounted for using the equity method;

(iii) **Other consolidation adjustments** made on the basis of the application of international accounting principles (**-836 million euros**)[22];

(iv) **Other minor adjustments (2 million euros)**.

Profit (Loss) before income taxes Tax Transparency Report	5,413
Impairment on consolidated equity investments using the full consolidation method	1,321
Results of companies accounted for using the equity method	-332
Release of funds to profit and loss	-34
Intercompany gains	-1
Dividends from companies accounted for using the equity method	-70
Other consolidation adjustments	-836
Other minor adjustments	-2
Profit (Loss) before taxes Integrated Annual Report	-5,462

(22) They include the following specific situations listed by way of non exhaustive example only: (i) adjustments for adaptation of value following impairment tests and consequent adjustments of depreciation and amortization, (ii) elimination of gains from intercompany sales of assets and consequent adjustments of depreciation and amortization and (iii) accounting records for management of derivatives, at the reversal of the Cash Flow Hedge reserve for a possibly different qualification of the transaction between the stand-alone view of the companies and that of the Group.

Tangible assets

The main deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report 2020 are due to **Adjustments from consolidation (1.3 billion euros)**[23].

Tangible assets Tax Transparency Report	**80,941**
Adjustments from consolidation	1,339
Tangible assets Integrated Annual Report	79,602

Income taxes paid

The data of income taxes paid for the purposes of the Integrated 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[24].

Taxes paid Tax Transparency Report	**1,555**
Difference due to the different methods of recognition	**21**
Taxes paid Integrated Annual Report	**1,575**

Tax Rate

With reference to the reconciliation between the theoretical and actual tax rate for financial year income taxes, please refer to the analysis contained in the Integrated Annual Report 2020.

(23) 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.

(24 By way of non exhaustive example only, the differences can be related to: (i) changes during the year in the scope of consolidation, (ii) conversion of the data from a local currency to the euro in countries subject to hyperinflation and (iii) inclusion in the data of the Integrated Annual Report of taxes on dividends (but excluded from the data of the Tax Transparency Report).

THE EUROPEAN TAXONOMY

The European Commission has established a specific classification system to identify environmentally sustainable economic activities, acting as an important enabler to support sustainable investment and to implement the European Green Deal.

By providing appropriate definitions of the economic activities that can be considered environmentally sustainable, it is intended to create security and transparency for investors, protect private investors from greenwashing, help companies plan the transition, mitigate market fragmentation and, ultimately, bridge the sustainable investment gap.

The European taxonomy established six environmental objectives to identify environmentally sustainable economic activities: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems. An economic activity is defined as environmentally sustainable if:

- it makes a substantive contribution to at least one of the six environmental objectives;
- it does no significant harm (DNSH) to the other five environmental objectives;
- it meets minimum safeguards.

In July 2018, the European Commission established a Technical Expert Group (TEG) on sustainable finance to develop recommendations for technical screening criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation while avoiding significant harm to the four other environmental objectives.

Based on the contribution of the TEG and a wide range of stakeholders and institutions, the taxonomy regulation was published in the Official Journal of the European Union on June 22, 2020 and entered into force on July 12, 2020.

Starting from January 2022, companies which are subject to the obligation to publish a Non-Financial Declaratio (NFD) must make public the share of their turnover, capital expenditure and ordinary operating expenditure that qualify as environmentally sustainable.

The taxonomy regulation further grants the European Commission the power to adopt delegated acts and acts targeted at specifying the manner in which the competent authorities and the market operators must comply with obligations pursuant to the regulations. At the time of the publication of the Sustainability Report 2020 and the Integrated Annual Report 2020, the European Commission has not yet published the final version of the first delegated act containing the technical screening criteria for the environmental objectives concerning climate mitigation and adaptation. For the other four environmental objectives, the Commission has undertaken to issue the respective delegated acts by the end of 2021, so that they can enter into force before the end of 2022. Furthermore,

by June 2021 the European Commission will issue a delegated act to indicate to companies subject to the directive on Non-Financial Disclosure how to report and in what measure their activities are in line with those considered sustainable from an environmental perspective.

Enel's position

We welcome the development of the taxonomy of the European Union, in as much as it will provide a common language to all stakeholders, with a particular focus on the decarbonization of the European economy by 2050; we participate actively in the various consultation processes, supply input both directly, through official channels of the European Commission, and indirectly, through the different sector associations in which the Group participates.

Although the European taxonomy regulation establishes an obligation for companies to declare compliance with the taxonomy starting from January 2022, Enel has decided to highlight this in the 2020 Sustainability Report and in the 2020 Integrated Annual Report. Further, during Capital Markets Day 2020, held last November, we presented our consolidated Capex, included in the 2021-2023 Strategic Plan, aligned with the taxonomy for a value between 80% and 90%, thanks to our substantial contribution to mitigation of climate changes.

In particular, the main comments we provided in the process of consultation, launched in December 2020, on the draft of the delegated acts concerning mitigation of and adaptation to climate changes, are as follows:

- **support for the threshold of greenhouse gas emissions in the generation of energy**: we welcome the specific emissions limit of 100 gCO_{2eq}/kWh (considering the entire life cycle) as a substantial contribution to the objective of mitigating climate changes, recommended by the TEG and based on a robust scientific base. The inclusion of the generation of energy with a carbon intensity over this limit could make it difficult for the European Union to achieve its ambition of "net zero" in 2050;
- **hydroelectric technology contribution to climate change mitigation objective**: we believe that this technology, which ranks amongst the best performing electricity generation technologies with respect to life-cycle emissions, should be treated in the same way as the other renewable electricity generation technologies, such as wind and solar power, for which a verification of the threshold is not requested, because they are well below the specific emissions threshold of 100 gCO_{2eq}/kWh;
- **geothermal technology contribution to climate change mitigation objective**: we believe that this technology should be exempt from life cycle analysis, in as much as there is sufficient scientific proof to show how it has a specific emissions value well below the threshold value of 100 gCO_{2eq}/kWh. The CO_2 emitted by this technology

is of natural origin, it is mainly a substitute for natural emissions and does not imply the combustion of fossil fuels;

- **integrated business value chain non fully represented**: currently, the draft of the delegated acts does not include specific criteria for the segment for the sale of energy which, on the contrary, constitutes an important element of the entire value chain, and which plays a vital role in the decarbonization pathway by supporting the electrification of consumption. We suggest to also consider the retail power activity among those with eligibility criteria by requesting retailers to apply either the criteria for the electricity generation activity or the criteria for the electricity distribution activities.

How Enel adopted the European taxonomy

Following the TEG recommendations, we developed a five-phase process through which we analyzed the applicability of the taxonomy along the entire value chain in all the countries in which we operate.

The process exclusively concerned the objectives of climate change mitigation and adaptation since they are the only two for which the European Commission has published the draft of criteria. The final evaluation may even undergo substantial changes on the part of the European Commission downstream of the finalization of the criteria envisaged for 2021 and 2022.

The economic activities along the entire value chain were divided into the following three categories.

- **Eligible**: economic activity that meets both of the following two conditions:
  - it was explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
  - it satisfies the criteria set out in the European taxonomy regulation for the two environmental objectives.

- **Not eligible**: economic activity that meets both of the following two conditions:
  - it was explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
  - it does not satisfy the criteria set out in the European taxonomy regulation for the two environmental objectives.
- **Not covered**: economic activity that:
  - was not included in the European taxonomy regulation because it does not contribute substantially to climate change mitigation or adaptation and therefore no specific technical criteria have been developed. The European Commission believes that this type of activity may not have a significant impact on climate change mitigation/adaptation or could be integrated into the European taxonomy regulation at a later stage.

The existence of this third category makes it impossible to achieve a business model that is fully compliant with the European taxonomy criteria, since currently some activities within the electric utilities value chain are not considered to substantially contribute to climate change mitigation.

At the time of the drafting of the present report, the activities not covered by the taxonomy fall under the following business types: nuclear power (the European Commission has not yet made a statement regarding its admissibility), wholesale trading, sale of energy to final customers and several business activities developed by Enel X.

Enel's process for adopting European taxonomy

EU environmental objective: climate change mitigation

1 Identification of economic activities

2 Assessment of substantial contribution

VALUE CHAIN	Electricity generation	Trading (wholesale)	Electricity distribution	Market (end customer)
GLOBAL BUSINESS LINE				Other services
TECHNICAL CRITERIA	Thermo Storage Fossil fuel Nuclear[1] Solar & Wind Hydroelectric (99%)[2] Geothermal (10%) RES Storage Hydroelectric (1%) Geothermal (90%)[3] Biomass	Energy trading	DSO in Europe and Brazil DSO in Argentina, Chile, Peru, Colombia[4]	Sales (electricity & gas)	e-City e-Mobility Condominium Customer insight flexibility e-Home[5] Distributed energy[5] Financial services	Real estate Other

Eligible | Not eligible | Not covered

3 DNSH (Do No Significant Harm) assessment

Enel has adopted effective Environmental Management Systems for electricity generation and distribution activities to prevent significant damage to the other environmental goals. An activity/asset level analysis will be carried out over the course of 2021 to verify compliance with all DNSHs

4 Minimum safeguards

Enel has adopted a human rights due diligence process throughout the value chain to comply with the minimum safeguards. Further verifications will be carried out in 2021, once the delegated acts have been approved

5 Calculation of financial metrics

34.8% of revenues | **80.3% of Capex** | **39.9% of Opex** from economic activities that make a substantial contribution to climate change mitigation, based on the draft delegated acts (December 2020). More details in the "Statement on the alignment of Enel's business to taxonomy" section

(1) The European Commission has not yet made a decision as to the eligibility of nuclear power.
(2) % referring to net installed capacity.
(3) Currently considered ineligible as a precautionary measure. Further assessments will be carried out in the course of 2021.
(4) Currently considered ineligible as a precautionary measure. Further analysis will be carried out in 2021.
(5) As a precautionary measure, only Business Lines and product clusters that fully meet the criteria have been selected as eligible, while the others have been excluded (e.g. "e-home" and "distributed energy").

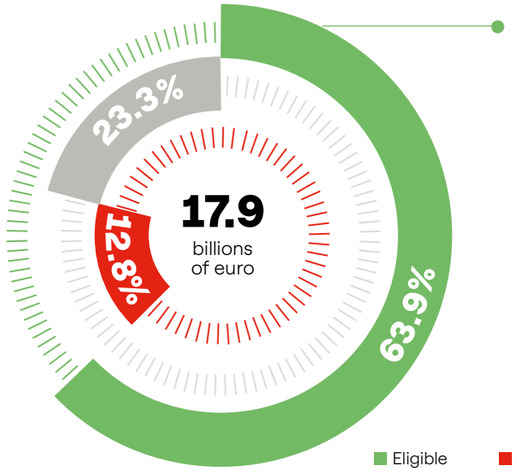
Statement on the alignment of Enel's business to taxonomy in 2019 and 2020

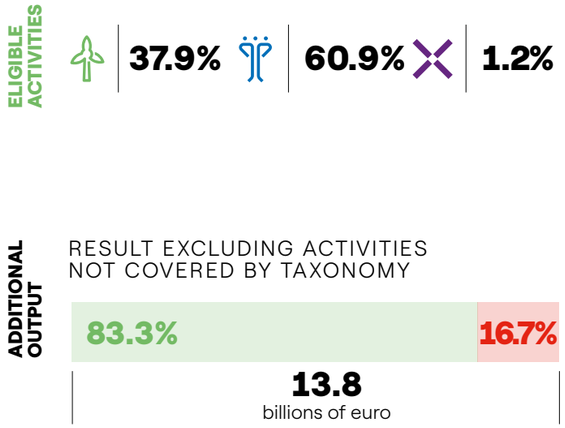
For the purposes of processing the following declaration it is appropriate to highlight that:

- the statement was prepared exclusively following the criteria established in the draft version of the delegated act of the European taxonomy concerning the **climate change** mitigation goal because at the time of the preparation of the 2020 annual reports the final version had not yet been published. Final publication could introduce important changes that might significantly affect the result presented in this statement;
- one change that could significantly affect the final result concerns the manner in which the **retail business segment** will finally be represented in the European taxonomy. Enel, together with other utilities, has asked the European Commission to include this business activity because, similarly to electricity distribution, it contributes substantially to climate change mitigation as an enabler of the decarbonization of other industries by promoting the electrification of energy consumption;
- Enel performed a detailed mapping of all its **hydroelectric assets** on the basis of the "power density" metric required in the draft delegated acts. For plants with a power density lower than 5 W/m^2, a further analysis was conducted to verify that the emissions (calculated over the entire life cycle) were below the specific emission limit of 100 gCO_{2eq}/kWh. The findings indicated that 99% of the installed hydroelectric capacity is eligible in accordance with the European taxonomy criteria for climate change mitigation only, while only 1% – for which it was not possible to conduct a timely assessment due to the lack of robust data – was ruled out on a conservative basis;
- in order to maintain this conservative approach, the business activity relating to the generation of electricity from **geothermal** sources was considered almost entirely ineligible pending certification by an independent third party of compliance with the threshold for geothermal plants of 100 gCO_{2eq}/kWh for the entirety of Group's geothermal assets;
- activities relating to the **infrastructure and networks** business in Chile, Colombia, Peru and Argentina were considered ineligible, again adopting a conservative approach. However, during 2021 an in-depth analysis will be performed for the distribution and transmission system, which could lead to a change in eligibility status;
- the **Enel X** portfolio was analyzed at the Business Line and product cluster level, as it was not possible to associate all the financial metrics required by the European taxonomy with each individual product. However, as a precaution, only the Business Lines and product clusters that fully meet the criteria were designated as eligible, excluding the others (for example "e-Home" and "distributed energy");
- the statement was prepared without performing an exhaustive review of the **DNSH** criteria, which will be carried out once the delegated acts are approved in the second quarter of 2021. Nonetheless, Enel is confident that it can demonstrate a high level of performance, as over the years it has implemented complete and comprehensive environmental management systems that go beyond legal requirements and are applied throughout the value chain. Additional information on Enel's environmental performance is available in the "Environmental Sustainability" chapter of the 2020 Sustainability Report;
- the European Commission has not yet finished drafting the delegated acts for the **other four environmental objectives**. The latter could strengthen the compliance of Enel's business model with the European taxonomy, considering that the current statement only covers the climate change mitigation objective;
- the aggregates being analyzed refer to the "sector" level and only include items in respect of third parties. Accordingly, they do not include inter-sectoral exchange between sectors;
- although not explicitly required, Enel has also performed an assessment in terms of the ordinary gross operating profit (EBITDA), as it believes that this metric represents the effective financial performance of integrated utilities such as Enel. A metric that only considers revenue is strongly influenced by business activities with a high volume of revenue (such as the wholesale market) that do not contribute proportionately to the growth of the gross operating profit like other business activities;
- the statement also gives a view that excludes "not covered" activities to underscore the compliance of the Group for only the economic activities for which the European taxonomy has developed criteria and therefore the most significant from the point of view of the climate change mitigation objectives.

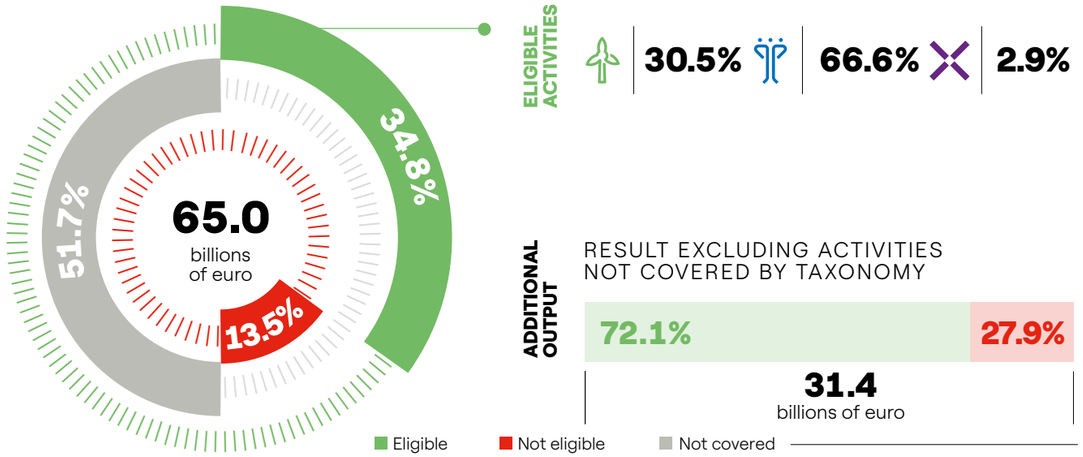
Main results of our statement concerning alignment of economic activities with the taxonomy

- In 2020, 63.9% of the ordinary gross operating profit was generated by business activities that meet climate change mitigation criteria, compared with 64.4% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 83.3% of the ordinary gross operating profit was eligible.

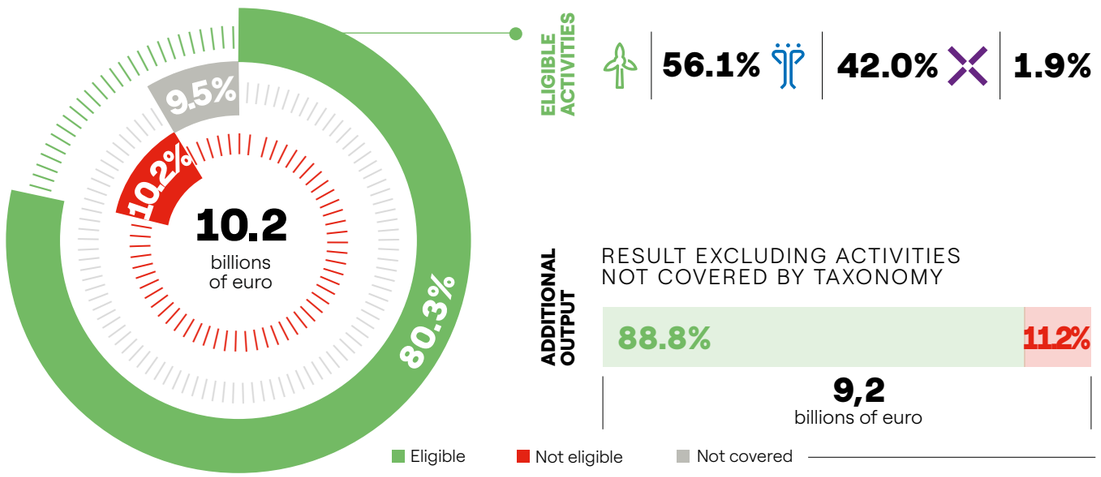




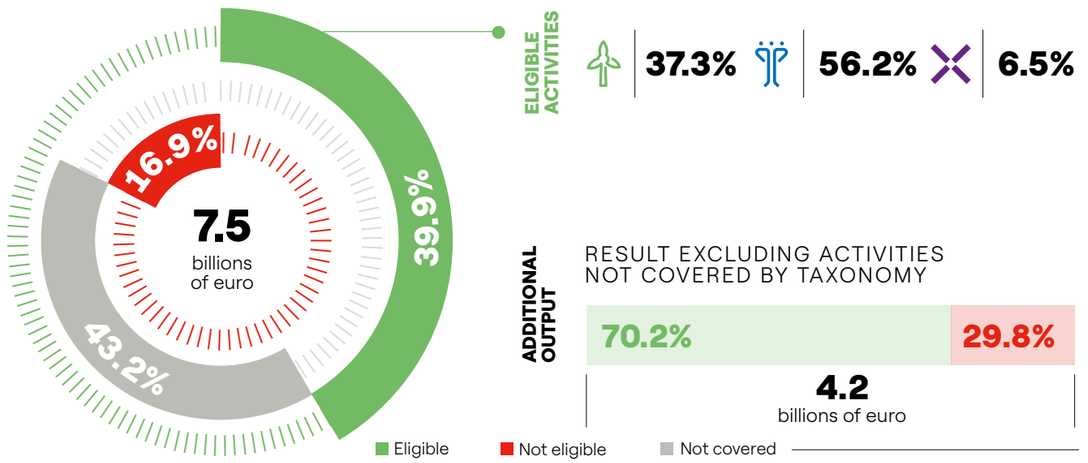
> In 2020, 34.8% of revenue was generated by business activities that meet climate change mitigation criteria, compared with 30.2% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 72.1% of revenue was eligible.



> In 2020, 80.3% of capital expenditure was generated by business activities that meet climate change mitigation criteria, compared with 76.8% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 88.8% of capital expenditure was eligible.



> In 2020, 39.9% of ordinary operating expenditure was generated by business activities that meet climate change mitigation criteria, compared with 39.6% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 70.2% of ordinary operating expenditure was eligible.



VALUE CHAIN	Eligible activities (substantial contribution to mitigation of climate changes)	Revenue from third parties[1]				Ordinary gross operating profit (ordinary EBITDA)				Capital expenditure - CAPEX[2]				Ordinary operating expenditure (Opex)			
		2020		2019		2020		2019		2020		2019		2020		2019	
		mil euros	%	mil euros	%	mil euros	%	mil euros	%	mil euros	%	mil euros	%	mil euros	%	mil euros	%
Power generation	**Generation from thermal and nuclear sources**	**7,409**	11.4	**7,344**	9.1	**4,721**	26.3	**4,618**	25.8	**4,629**	45.4	**4,293**	43.2	**1,227**	16.3	**1,277**	15.0
		6,914	10.6	**6,921**	8.6	**4,346**	24.2	**4,296**	24.0	**4,591**	45.0	**4,247**	42.7	**1,119**	14.9	**1,177**	13.8
		495	0.8	**423**	0.5	**375**	2.1	**322**	1.8	**38**	0.4	**46**	0.5	**108**	1.4	**100**	1.2
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
	Generation from thermal and nuclear sources	**6,890**	10.6	**8,863**	11.1	**1,633**	9.1	**1,622**	9.0	**640**	6.3	**794**	8.0	**1,067**	14.2	**1,432**	16.8
		3	-	**3**	-	**-**	-	**2**	-	**1**	-	**-**	-	**-**	-	**-**	-
		5,545	8.5	**7,591**	9.5	**1,194**	6.7	**1,150**	6.4	**493**	4.9	**663**	6.7	**783**	10.4	**1,150**	13.5
		1,342	2.1	**1,269**	1.6	**439**	2.4	**470**	2.6	**146**	1.4	**131**	1.3	**284**	3.8	**282**	3.3
Energy sales (wholesale)	**Trading**	**12,460**	19.2	**21,617**	26.9	**597**	3.3	**-37**	-0.2	**54**	0.5	**57**	0.6	**125**	1.7	**129**	1.5
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		12,460	19.2	**21,617**	26.9	**597**	3.3	**-37**	-0.2	**54**	0.5	**57**	0.6	**125**	1.7	**129**	1.5
Energy distribution	**Infrastructures and Networks**	**17,824**	27.4	**20,092**	25.0	**7,714**	43.0	**8,228**	46.0	**3,937**	38.6	**3,905**	39.2	**2,065**	27.5	**2,388**	28.1
		15,103	23.2	**16,618**	20.7	**6,989**	39.0	**7,132**	39.9	**3,435**	33.7	**3,269**	32.8	**1,683**	22.4	**1,989**	23.4
		2,720	4.2	**3,474**	4.3	**726**	4.0	**1,096**	6.1	**502**	4.9	**636**	6.4	**381**	5.1	**398**	4.7
		1	-	**-**	-	**-1**	-	**-**	-	**-**	-	**-**	-	**1**	-	**1**	-
Sales (end customers)	**Market**	**17,647**	27.2	**19,537**	24.3	**3,197**	17.8	**3,334**	18.6	**460**	4.5	**449**	4.5	**897**	11.9	**1,009**	11.9
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		17,647	27.2	**19,537**	24.3	**3,197**	17.8	**3,334**	18.6	**460**	4.5	**449**	4.5	**897**	11.9	**1,009**	11.9
	Enel X	**970**	1.5	**967**	1.2	**161**	0.9	**158**	0.9	**303**	3.0	**270**	2.7	**296**	3.9	**347**	4.1
		658	1.0	**713**	0.9	**134**	0.7	**94**	0.5	**158**	1.6	**133**	1.3	**195**	2.6	**203**	2.4
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		312	0.5	**254**	0.3	**27**	0.2	**64**	0.4	**145**	1.4	**137**	1.4	**101**	1.3	**144**	1.7
Other	**Other**	**1,785**	2.7	**1,907**	2.4	**-83**	-0.4	**-18**	-0.1	**174**	1.7	**179**	1.8	**1,844**	24.5	**1,924**	22.6
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		-	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		1,785	2.7	**1,907**	2.4	**-83**	-0.4	**-18**	-0.1	**174**	1.7	**179**	1.8	**1,844**	24.5	**1,924**	22.6
	TOTAL	**64,985**	100.0	**80,327**	100.0	**17,940**	100.0	**17,905**	100.0	**10,197**	100.0	**9,947**	100.0	**7,521**	100.0	**8,506**	100.0
		22,678	34.8	**24,255**	30.2	**11,469**	63.9	**11,524**	64.4	**8,185**	80.3	**7,649**	76.8	**2,997**	39.9	**3,369**	39.6
		8,760	13.5	**11,488**	14.3	**2,295**	12.8	**2,568**	14.3	**1,033**	10.2	**1,345**	13.6	**1,272**	16.9	**1,648**	19.4
		33,547	51.7	**44,584**	55.5	**4,176**	23.3	**3,813**	21.3	**979**	9.5	**953**	9.6	**3,252**	43.2	**3,489**	41.0

(1) Revenue from third parties is "segment" revenue from non-Group counterparties only. It therefore does not include transactions between the various segments.
(2) The figure for 2019 capital expenditure does not include 4 million euros regarding units classified as "held for sale".

Eligible Not eligible Not covered

GREEN BOND REPORT 2020 AND SUPPORTING NOTES

GREEN BOND

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 fourth time in 2020, 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) and shown in the table based on the type of project and the year of emission of the green bonds.

In order to facilitate transparency and facilitate understanding of reporting over the years, the report also describes 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 replaa cement 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.

In accordance with the "Green Bond Framework", the report is structured as follows.

- **Summary table of 2017, 2018 and 2019 emissions** with indication of the installed capacity and of the CO_2 avoided;
- **Table A "Financial indicators"** shows:
  - 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"** shows the environmental benefit in terms of CO_2 avoided (actual or expected). In particular, with reference to:

renewable projects:

- the quantity of CO_2 avoided (both actual and expected) is determined by multiplying generation (actual or expected) by the emission factor linked to the specific thermoelectric energy generation of the country in which the plant is located (emission factors source: Enerdata - February 10, 2021 release);
- in consideration of the complete allocation of the three green bonds and the volatility of production due, for example, to exceptional events such as the Covid-19 pandemic, it was decided to no longer disclose the share of production (both effective and expected) and the relative quantity of CO_2 avoided attributable to the green bond, calculated as the share of green bond proceeds allocated to the project with respect to the total investment[3];
- for projects relating to generation plants from renewable sources, the cumulative value of actual generation and the relative CO_2 avoided for all years of reporting of the green bond report is also shown (with the exception of the repowering plants whose share of generation cannot be separated from the rest of the plant);

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;

(1) SDG 7 "Affordable and clean energy"; SDG 9 "Industry, innovation and infrastructure"; SDG 11 "Sustainable cities and communities"; SDG 13 "Climate action".

(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) The eliminated columns were "2019 production attributable to GB (GWh)", "2019 CO_2 avoided attributable to GB (t)", "Expected annual production attributable to GB (GWh)", "Expected CO_2 avoided attributable to GB (t)".

- 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;
  - the calculation of CO_2 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"** 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. In the case of plants that started operating after September 30, 2020, the water consumption of the construction site is reported, in other cases (plants operating before September 30, 2020) the water consumption in 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;
  - fatal accidents or "High Consequence" injuries to Enel people[6];
  - 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"** refers to the criteria, indicators, overall information and approach chosen by Enel to develop the projects financed through the proceeds of the bond.

The data has 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 OF THE CO_2 AVOIDED

GB emission	Area of investment	Allocated GB proceeds (mil euros)	Installed capacity (MW)	CO_2 avoided (t)
2017	Renewables	**1,238**	3,354	14,528,985
2018		**1,240**		
of which new renewable projects	Renewables	575	1,878	4,676,669
of which new Infrastructure and Networks projects	I&N	665	n.a.	11,700
2019		**986**	638	116,867
of which new projects identified in 2019	Renewables	65	638	116,867
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) Sum of: injuries that as of December 31, 2020 resulted in more than 6 months of absence from work; injuries that as of December 31, 2020 are still open and are considered severe (initial prognosis >30 days); injuries categorized as "Life Changing Accidents" (LCA), regardless of the number of days of absence from work related to them.

Table A – Financial indicators

Renewable projects

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Investment (value in currency)			GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2019 (mil euros)[2]
						Currency	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	66	-
CANADA	Riverview	Wind	In Operation	105	Apr-20	USD	210	187	8	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29	Mar-20				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	104	86	11	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	149	123	18	57
MEXICO	Dolores	Wind	In Operation	274	May-20	USD	280	235	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		EUR	43	36	14	-
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 2020, the exchange rate is equal to 1.12.

(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. With respect to 2020 – the year of publication of the 2019 Green Bond Report – "Mini Biomass (7 projects)" left the scope due to decommissioning activities and "Strettara DMV" left as it is waiting for reauthorization. The total amount allocated, approximately 3 million euros, has been included in Amistad IV.

(4) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

Table B – ESG indicators

Renewable projects

Country	Project name	2020 production (GWh) [1]	2020 CO_2 avoided (t)	2017-2020 production (GWh)	2017-2020 CO_2 avoided (t)	Expected annual production (GWh) [2]	Expected CO_2 avoided (t)
USA	Red Dirt	983	608,249	3,077	2,007,488	-	-
USA	Thunder Ranch	1,124	695,600	3,405	2,219,231	-	-
USA	Hilltopper	542	335,186	1,145	733,529	-	-
USA	Stillwater Solar II	9	5,757	65	42,438	-	-
USA	Woods Hill	31	19,208	78	50,290	-	-
USA	Rattlesnake Creek	1,206	745,730	2,237	1,426,317	-	-
USA	Rock Creek	1,107	684,543	3,312	2,157,975	-	-
BRAZIL	Horizonte MP	163	93,593	513	290,254	-	-
BRAZIL	Delfina	814	466,150	2,799	1,568,920	-	-
CHILE	Cerro Pabellón	216	162,079	683	518,095	-	-
CHILE	Sierra Gorda	351	262,863	1,366	1,035,731	-	-
PERU	Wayra	617	285,077	1,669	802,639	-	-
PERU	Rubi	435	200,925	1,279	616,696	-	-
ITALY	Various projects [3]	15	6,937	393	194,149	-	-
CANADA	Riverview	236	158,350	236	158,350	-	-
CANADA	Castel Rock Ridge 2	79	53,038	79	53,038	-	-
MEXICO	Magdalena 2	443	254,270	489	279,921	-	-
MEXICO	Amistad II	-	-	-	-	427	245,055
MEXICO	Amistad III	-	-	-	-	405	232,318
MEXICO	Amistad IV	-	-	-	-	620	355,684
MEXICO	Dolores	451	258,973	451	258,973	-	-
PANAMA	Estrella Solar	10	6,836	22	14,002	-	-
ZAMBIA	Ngonye	58	60,026	93	94,928	-	-
ITALY	Various projects [4]	-	55	12	6,021	-	-

(1) For projects entered into operation by September 30, 2020, the actual production data is reported and consequently the amount of CO_2 avoided.
(2) For projects entered into operation after September 30, 2020 or which have not yet entered into operation, the expected annual production data and the expected amount of CO_2 avoided are reported.
(3) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of production 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.
(4) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of production 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

Renewable projects

Country	Project name	Water consumption (m^3)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatal and "High Consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Red Dirt	-	-	-	-	2	2,322
USA	Thunder Ranch	-	1	-	-	5	17,253
USA	Hilltopper	-	1	-	-	3	33,633
USA	Stillwater Solar II	-	-	-	-	2	1,966
USA	Woods Hill	-	-	-	-	1	1,424
USA	Rattlesnake Creek	-	-	-	-	3	1,742
USA	Rock Creek	-	1	-	-	1	1,280
BRAZIL	Horizonte MP	270 [1]	2	-	-	2	199
BRAZIL	Delfina	-	8	-	-	-	-
CHILE	Cerro Pabellón	2,435 [1]	4	-	-	3	76
CHILE	Sierra Gorda	-	-	-	-	-	-
PERU	Wayra	-	1	-	-	7	2,007
PERU	Rubi	-	-	-	-	8	3,267
ITALY	Various projects [3]	-	-	-	-	3	41
CANADA	Riverview	-	1	-	-	1	-
CANADA	Castel Rock Ridge 2	-	1	-	-	-	-
MEXICO	Magdalena 2	-	-	-	-	1	1,206
MEXICO	Amistad II	150 [2]	2	-	-	1	1,416
MEXICO	Amistad III	1,658 [2]	3	-	-	4	1,431
MEXICO	Amistad IV	3,605 [2]	3	-	-	6	2,170
MEXICO	Dolores	-	3	-	-	2	99
PANAMA	Estrella Solar	30 [1]	-	-	-	-	-
ZAMBIA	Ngonye	-	-	-	-	-	-
ITALY	Various projects [4]	-	-	-	-	3	863

(1) For plant entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to operation phase.
(2) For plant not yet entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to under construction phase.
(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 A – Financial indicators

Renewable projects + Refinancing

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 USA	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 2020, the exchange rate is equal to 1.12.

(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

Renewable projects + Refinancing

Country	Project name	2020 production (GWh) [1]	2020 CO_2 avoided (t)	2018-2020 production (GWh)	2018-2020 CO_2 avoided (t)	Expected annual production (GWh) [2]	Expected CO_2 avoided (t)
USA	Diamond Vista	1,162	718,730	2,265	1,446,539	-	-
USA	Fenner Repowering [3]	88	54,398	88	54,398	-	-
USA	High Lonesome I+II	1,351	835,418	1,351	835,418	-	-
USA	Roadrunner	854	528,346	854	528,346	-	-
GERMANY	Cremzow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GREECE	Kafireas	415	291,093	415	291,093	-	-
COLOMBIA	El Paso	136	98,589	136	98,589	-	-
USA	Aurora	184	113,513	545	354,624	-	-
USA	Little Elk	311	192,307	981	639,845	-	-
USA	Chisholm View II	214	132,157	656	427,816	-	-

n.a. not applicable

(1) For projects entered into operation by September 30, 2020, the actual production data is reported and consequently the amount of CO_2 avoided.

(2) For projects entered into operation after September 30, 2020 or which have not yet entered into operation, the expected annual production data and the expected amount of CO_2 avoided are reported.

(3) The share of production 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

Renewable projects + Refinancing

Country	Project name	Water consumption (m^3)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatal and "High Consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Diamond Vista	-	-	-	-	3	1,194
USA	Fenner Repowering	-	-	-	-	2	10,002
USA	High Lonesome I+II	-	1	-	-	2	2,034
USA	Roadrunner	-	-	-	-	1	3,335
GERMANY	Cremzow	-	-	-	-	1	3,335
GREECE	Kafireas	-	1	-	-	4	6,286
COLOMBIA	El Paso	-	-	-	-	3	872
USA	Aurora USA	-	1	-	-	3	4,465
USA	Little Elk	-	-	-	-	-	-
USA	Chisholm View II	-	-	-	-	1	3,499

(1) For plant entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to operation phase.

(2) For plant not yet entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to under construction phase.

Table A – Financial indicators

Infrastructure and Networks projects

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

Infrastructure and Networks projects

Italy	Cabling (%)	Network automation (%)	Oil equipment with PCB removed (no.)	End users with active smart meter (mil)	Renewable production units connected to network (no.)	New "users" connected to network (no.)	Technical network losses (%)	CO_2 avoided (t)
Total Asset Development	n.a.	n.a.	n.a.	32,818	57,086	148,352	n.a.	11,700
Total Asset Management	75.5	37	215	n.a.	n.a.	n.a.	4.4	

n.a. not applicable
(1) Starting 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

Infrastructure and Networks projects

Country	Injuries (fatal and "High Consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)	Biodiversity projects (no.)
ITALY	1	207	184.209	54

Table A – Financial indicators

Renewable projects

Country	Project name [1]	Technology	Status	Capacity (MW)	Commercial operation date	Investment (value in currency)			GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2018 (mil euros)	GB proceeds allocated in 2019 (mil euros) [3]
						Currency	Value in currency (mil)	Equivalent in euro (mil) [2]			
USA	Whitney Hill	Wind	In Operation	66	Dec-19	USD	281	232	-	-	10
USA	Aurora Wind	Wind	In Operation	299	Dec-20	USD	450	401	-	-	10
USA	Cimarron Bend 3 phase I	Wind	In Operation	199	Dec-20	USD	114	94	-	-	4
AUSTRALIA	Cohuna	Solar	In Operation	34	Jun-20	USD	42	37	-	-	31
ITALY	Various projects [4]	Hydroelectric		40		EUR	55	55	-	-	10
CANADA	Riverview	Wind	In Operation	105	Apr-20	USD	210	187	8	-	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29	Mar-20	USD			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	104	86	11	-	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	149	123	18	-	57
MEXICO	Dolores	Wind	In Operation	274	May-20	USD	280	235	36	-	192
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
GREECE	Kafireas	Wind	In Operation	154	Oct-19	USD	300	300	-	64	126
Totale											**986**

(1) With respect to 2020 - the year of publication of the 2019 Green Bond Report - the Girgarre project (Australia) left the scope because it is waiting for reauthorization. The allocated amount, equal to approximately 7 million euros, has been included in Amistad IV."
(2) 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 2020, the exchange rate is equal to 1.12.
(3) 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.
(4) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table B – ESG indicators

Renewable projects

Country	Project name [1]	2020 production (GWh) [2]	2020 CO_2 avoided	2019-2020 production (GWh)	2019-2020 CO_2 avoided (t)	Expected annual production (GWh) [3]	Expected CO_2 avoided (t)
USA	Whitney Hill	189	116,867	189	116,867	-	-
USA	Aurora Wind	-	-	-	-	1,317	814,949
USA	Cimarron Bend 3 phase I	-	-	-	-	929	574,629
AUSTRALIA	Cohuna	-	-	-	-	79	61,776
ITALY	Various projects [4]	n.a.	n.a.	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) For projects entered into operation by September 30, 2020, the actual production data is reported and consequently the amount of CO_2 avoided.
(3) For projects entered into operation after September 30, 2020 or which have not yet entered into operation, the expected annual production data and the expected amount of CO2 avoided are reported.
(4) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table C – Further ESG indicators

Renewable projects

Country	Project name[1]	Water consumption (m^3)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatal and "High Consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Whitney Hill	-	1	-	-	-	-
USA	Aurora Wind	16,758[2]	1	-	-	3	1,627
USA	Cimarron Bend 3 phase I	3,398[2]	-	-	-	1	684
AUSTRALIA	Cohuna	5,730[2]	-	-	-	5	1,024
ITALY	Various projects[3]	100[2]	-	-	-	-	-

(1) For plant entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to operation phase.
(2) For plant not yet entered into operation by September 30, 2020 the figures refer to water consumption for industrial use related to under construction phase.
(3) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table D – Overall information

CRITERION	INDICATOR	GB 2020 DATA/APPROACH
Respect for human rights standards and prevention of breaches	Number and description of the reports identified through the Enel monitoring system	No violation in terms of human rights regarding 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 GB proceeds.
	Results of risk analysis on human rights at country level	The risk analysis conducted on a country level in the 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 (fatal and "High Consequence")	No reporting on renewable plant projects financed with with GB proceeds and 1 "High Consequence" injury 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	One violation found within the framework of Infrastructure and Networks in Italy regarding projects financed with GB proceeds.
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 51% for Renewables and 76% 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%).

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(Translation from the Italian original which remains the definitive version)

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 2020 Green Bond Report (the "report") of Enel S.p.A. (the "company"), which comprises the summary table of 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 framework (the "framework"). This report is included in the Enel Group's 2020 sustainability report.

Responsibilities of the company's directors for the report

The directors are responsible for the preparation of the report in accordance with the framework 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.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, on the report. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 2020 (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 NFS 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 company'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 main procedures:

1 obtaining and reading the second party opinion;

2 interviewing relevant staff at corporate and business level responsible for the 2020 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 2020 Green Bond Report of Enel S.p.A. has been not prepared, in all material respects, in accordance with the framework described in the "Introduction and reporting criteria" note to the report.

Other matters

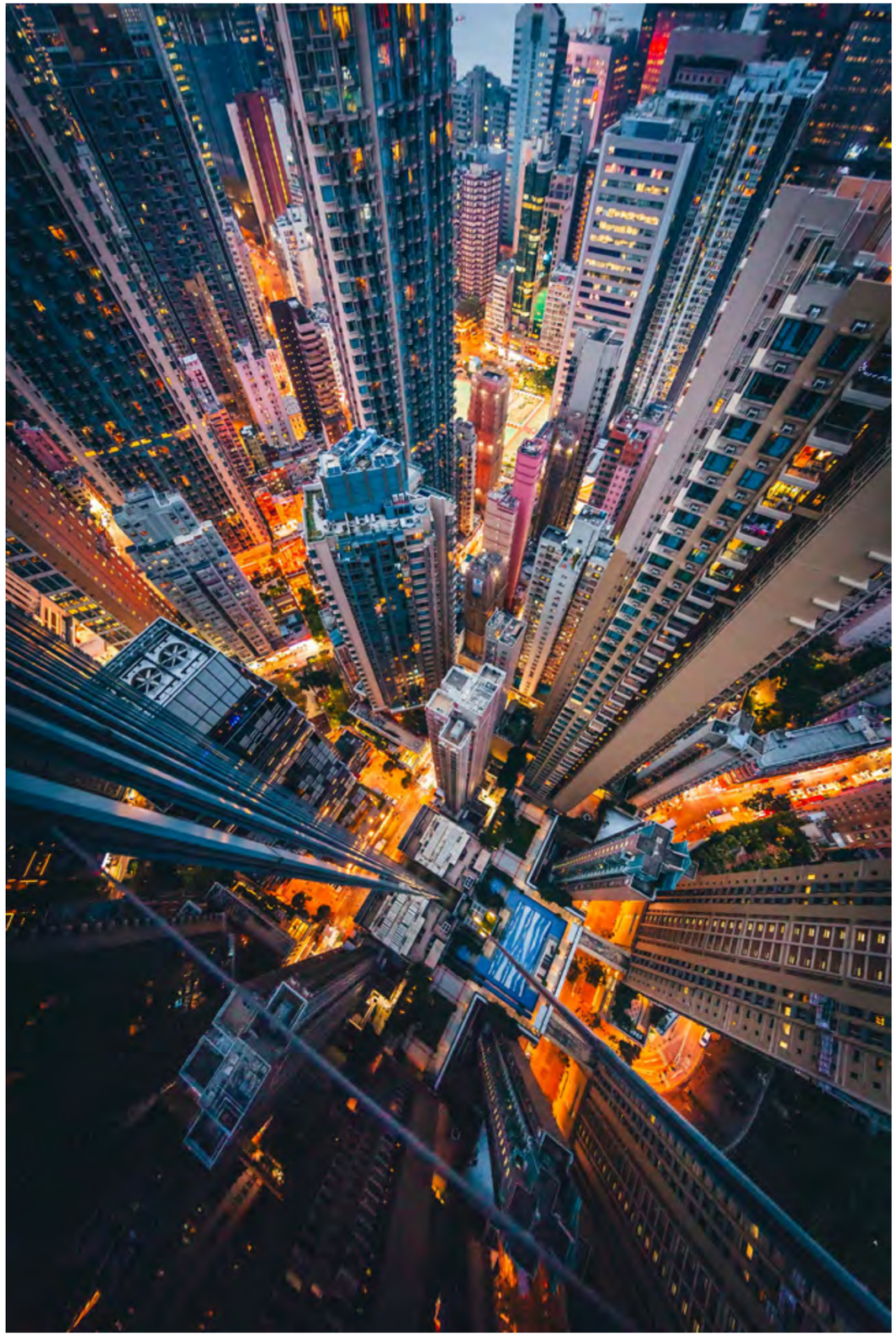
Other auditors performed a limited assurance engagement on the 2017, 2018 and 2019 figures presented in the 2020 Green Bond Report and expressed their unqualified conclusions on 10 May 2018, 7 May 2019 and 8 April 2020, respectively.

Rome, 19 April 2021

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit



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APPENDIX

- Methodological note and Independent auditors' report
- Sustainability statement: performance indicator
- GRI Content Index
- SASB Content Index
- TCFD Content Index
- WEF Content Index

Information and in-depth analyses on the issues and indicators presented in this Report can be requested from:

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Innovability® Function
(Innovation and Sustainability)
Sustainability Planning
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METHODOLOGICAL NOTE

| 101 | 102-1 | 102-3 | 102-5 |102-40|102-42|102-43|102-45|102-46|102-47|
|102-48|102-49|102-50|102-51|102-52|102-53|102-54|102-55|102-56|

Since 2003 Enel has been publishing a Sustainability Report each year, at the same time as the Group Consolidated Annual 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, 2020 was therefore drawn up in compliance with Legislative Decree 254/16 and the 2019 Budget Act and it is a separate document with respect to the Report on Operations. The document is published in the "Investors" section of Enel's website (www.enel.com).

The 2020 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 document structure has been revised compared to previous years, with the inclusion in the appendix of reconciliation statements that consider the indicators proposed by the white paper "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation", issued by the World Economic Forum (WEF), and the indicators of the "SASB", which gives an overview of the main indicators required by the aforementioned standard in relation to Enel's core business sector: "Electric Utilities & Power Generators".
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 2020 materiality analysis"). The following table shows the areas required by Legislative Decree 254/16, specifying the document chapter in which they are discussed.

Topic of the Report/ Legislative Decree 254/16	Issue of the materiality analysis	Report chapter	Risks	Policies and management model	Activities and results
Environment	**Decarbonization of the energy mix**	Net-zero ambition	"Net-zero ambition" chapter	"Net-zero ambition" chapter	"Net-zero ambition" chapter
	Environmental management	Environmental sustainability	"Sound governance" chapter	"Environmental sustainability" chapter	"Environmental sustainability" chapter
Social	**Engaging local communities**	Local and global communities	"Sound governance" chapter	"Local and global communities" chapter	"Local and global communities" chapter
	Sustainable supply chain	Sustainable supply chain	"Sound governance" chapter	"Sustainable supply chain" chapter	"Sustainable supply chain" chapter
Employment and labor-related	**People management, development and motivation**	Our people	"Sound governance" chapter	"Our people" chapter	"Our people" chapter
	Occupational health and safety	Occupational health and safety	"Sound governance" 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
	People management, development and motivation				
	Engaging local communities				
Fight against corruption	**Sound governance and fair corporate conduct**	Sound governance	"Sound governance" chapter	"Sound governance" chapter	"Sound governance" chapter

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).

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.
Furthermore, the appendix to the Sustainability Report contains specific tables of reconciliation with indicators proposed by the WEF white paper "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation" and, starting from 2020, 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). The 2020 Sustainability Report also complies with the qualitative indicators of the Task Force on Climate-related Financial Disclosures (TCFD) and of the UN Guiding Principles Reporting Framework.
The Sustainability Report is part of the Enel corporate reporting system, and the information it provides is more detailed than and supplementary to the annexed documents cross referenced in the Report.

Corporate reporting framework

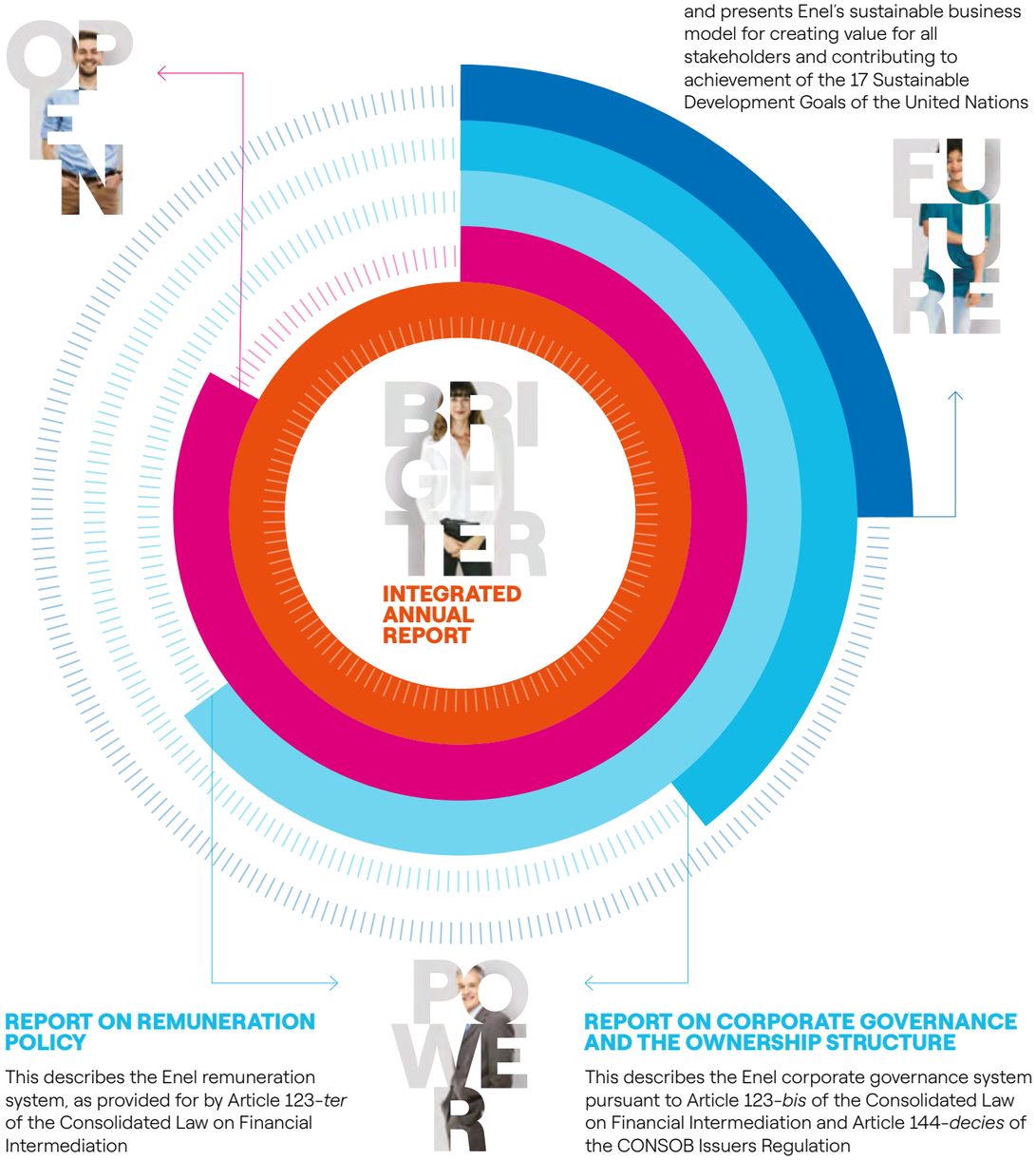
The CORE&MORE approach of the Enel Group

REPORT AND FINANCIAL STATEMENTS OF ENEL SPA

This is prepared in conformity with Article 9, paragraph 3, of Legislative Decree 38 of February 28, 2005

SUSTAINABILITY REPORT

This includes the Consolidated Non-Financial Statement prepared pursuant to Legislative Decree 254/2016 and presents Enel's sustainable business model for creating value for all stakeholders and contributing to achievement of the 17 Sustainable Development Goals of the United Nations



REPORT ON REMUNERATION POLICY

This describes the Enel remuneration system, as provided for by Article 123-*ter* of the Consolidated Law on Financial Intermediation

REPORT ON CORPORATE GOVERNANCE AND THE OWNERSHIP STRUCTURE

This describes the Enel corporate governance system pursuant to Article 123-*bis* of the Consolidated Law on Financial Intermediation and Article 144-*decies* of the CONSOB Issuers Regulation

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). Specifically, the process of defining the contents of the Sustainability Report is based on materiality principles, stakeholder inclusivity, sustainability context, and completeness of data and information.

Enel provides concise information on its sustainability performance in specific sections of the Sustainability Report (see "At a Glance" and "Our ESG performances"); these chapters contain descriptions also of the goals and associated progress referred to the Sustainable Development Goals (SDGs), in order to provide full disclosure of all relevant information in the reporting period, together with 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.

This Sustainability Report is also compliant with the principles of inclusivity, materiality and responsiveness set out in AA1000APS (AccountAbility Principles Standard) issued in 2018 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, established by means of 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 the SDGs Compass, the guide, published in November 2015, 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.

The 2020 priorities' analysis

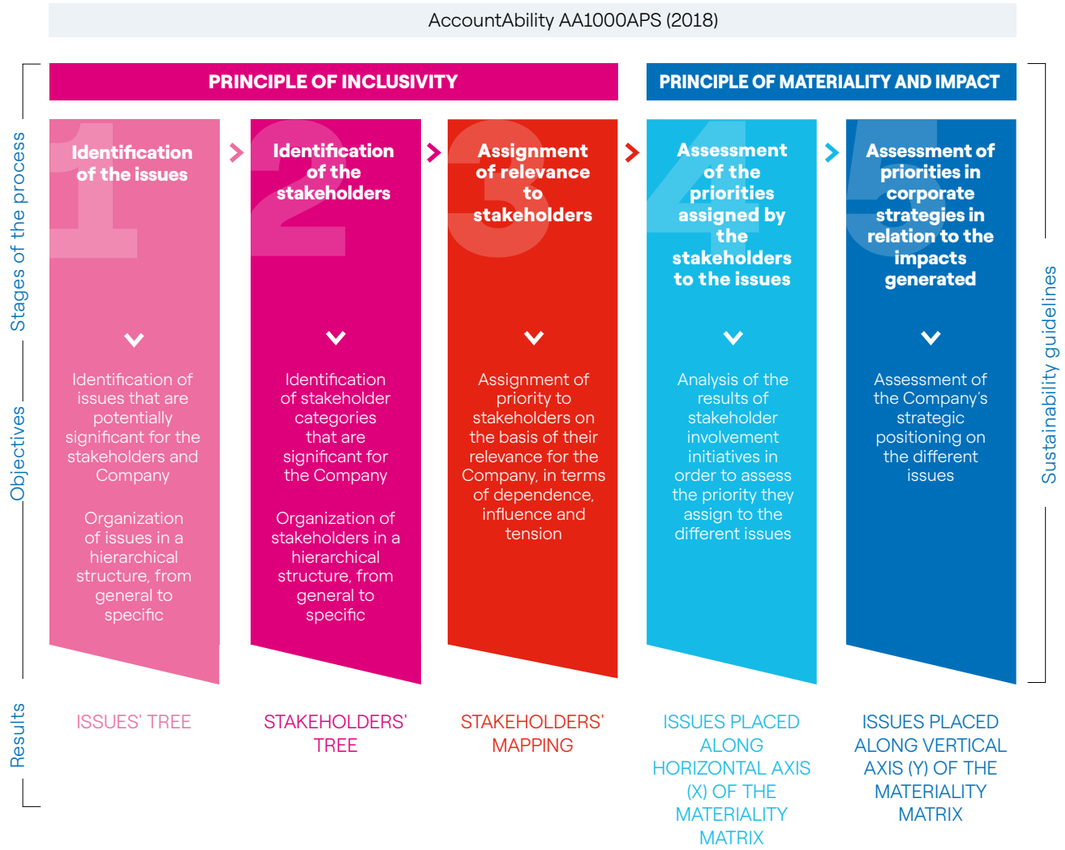
| 102-46 | 103-1 |

In line with the provisions of AccountAbility standard AA1000APS (2018) and with the principles of inclusivity, materiality, responsiveness, and impact, Enel has defined a materiality analysis process made up of five main phases, as shown in the following chart.

Data collection, aggregation and processing of information are managed using a dedicated IT system in order to share best stakeholder engagement and monitoring practices and allow a level of coverage consistent with the Company's organizational model. The system allows specific views to be obtained, not only at the level of the Group and individual companies, but also by Business Line/Company Function and individual asset (i.e. potential or actual operating site).

The Holding Company's Sustainability Planning, Performance Management and Human Rights unit, in charge of the materiality analysis at Group level, plays a steering and coordination role, providing guidelines and methodological support for analysis at the country, company , and asset level, carried out by local managers with the involvement of stakeholders and key people at the Company level. The results achieved for individual companies and/or countries are then consolidated by the Holding Company to prepare the Group's materiality matrix (see "At a Glance" chapter in the "Our priorities" section for detailed information on analysis results).

The scope of the 2020 materiality analysis has been further enhanced, notably through the inclusion of new assets in Colombia, Peru, Italy, and South Africa, and together with ever greater integration of results deriving from the application of CSV tools to Group assets.



1 2 Identification of issues and stakeholders

102-40 | 102-42 | 102-46 | 103-1

The issues subject to the 2020 materiality analysis were defined on the basis of several aspects, including company policies and rules of conduct, stakeholder feedback initiatives, the issues of greatest interest for sustainability rating agencies, industry benchmarking studies and the Company's strategic orientation.

The various units responsible for relations with stakeholders, involved in the analysis process each year, are tasked with identifying and updating the list of significant stakeholder categories to draw up a complete list of current and potential stakeholders and to ensure constant alignment with the sustainability context in which Enel operates.

The methodology adopted involves an annual update to the results achieved in the previous year and, every two years, an analysis to determine a possible revision of the issues and categories of stakeholders subject to analysis, to take account of any changes in the context in which the Company operates.

3 Assignment of relevance to stakeholders

102-42 | 102-43 | 102-46 | 102-47

The process involves constant, direct participation by the Company's external and internal stakeholders, including its top managers, through one-on-one interviews, surveys and other tools.

In 2020, the stakeholder categories identification and prioritization process benefited from the involvement of top management of all the Business Lines, which evaluated the relevance of the categories by means of a survey administered by the Holding Company's Sustainability unit, based on the following parameters:

- **dependence** – importance of the relationship for the stakeholder – indicating groups or individuals that depend directly or indirectly on the activities, products or associated services and operations, or on which the organization relies in order to conduct its operations;
- **influence** – importance of the relationship for the Company – indicating groups or individuals that can affect the organization or a stakeholder for the strategic or operational decisional process;
- **urgency** – temporal dimension of the relationship – indicating groups or individuals requiring the immediate attention of the organization in relation to broader financial, economic, social, or environmental issues.

Specifically, from the analysis conducted at Group level, the "Employees" stakeholder achieved a high rating in terms of significance, considering the contingent pandemic crisis. For further details concerning the analysis results, refer to the tables reported in the section "Our priorities".

In addition, the various units involved each year in the analysis process and those responsible for relations with stakeholders are tasked with engaging them according to the most appropriate methods in view of the communications channels (generic, specific and participatory), the type of relations with the group concerned, and the reference context.

4 Assessment of the priorities assigned by the stakeholders to the issues

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

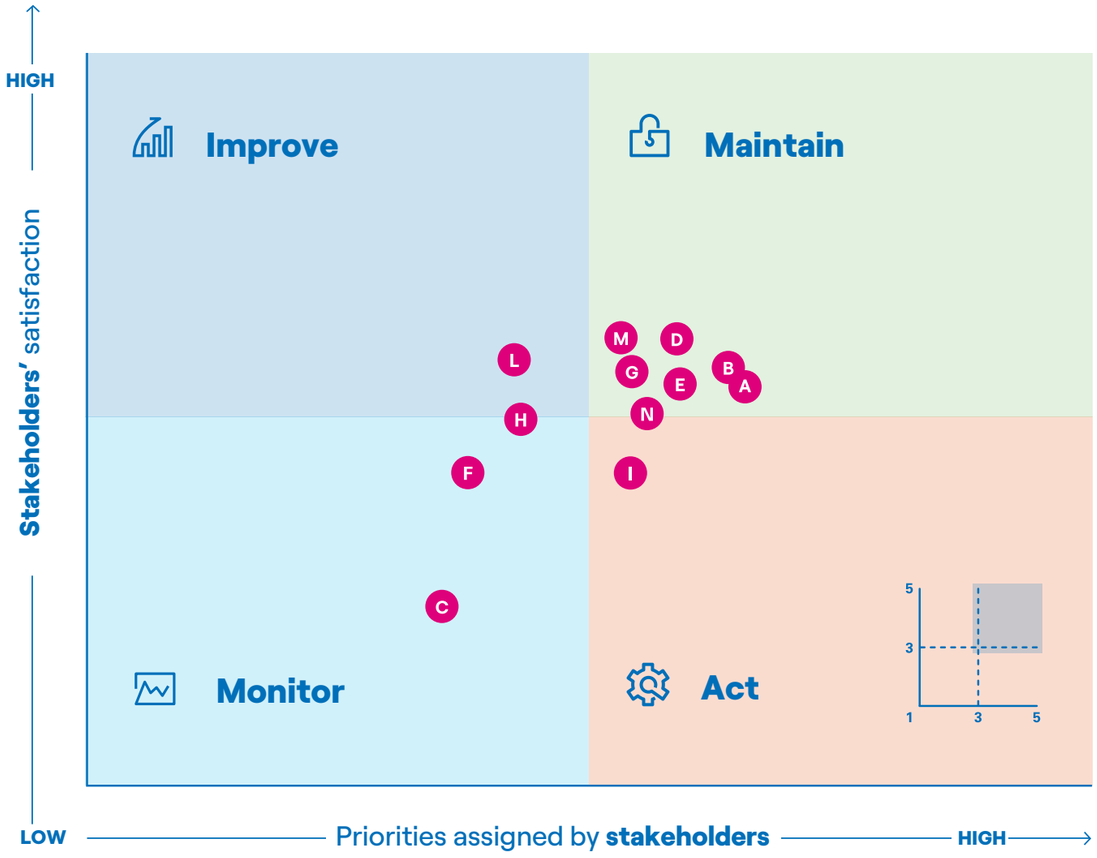
The aspects investigated within the context of the materiality analysis are, from the stakeholders' perspective, the relative importance of each issue in their perceptions and the 'direction' of their expectations (expectations of engagement, rather than disengagement, by Enel), and, from the Company's perspective, the level of the impact of the issues on its business strategies.

Since 2016, Enel has integrated the process of assessing the level of stakeholder satisfaction in relation to their expectations with respect to the issues subject to analysis: the results achieved, compared with the priorities assigned by stakeholders, allow us to obtain an overview of stakeholder expectations and help to identify the issues on which the Company needs to focus. These results are shown in the following "Expectations Matrix" which, for most of the issues addressed, reflects a high degree of alignment between the priorities assigned by stakeholders and their level of satisfaction ("maintain" area). An exception is represented by the "Customer focus" issue, for which the Company monitors evolution of the priority and satisfaction level among stakeholders by means of tools such as customer satisfaction surveys carried out by the different Market areas.

In 2020, the results of a number of engagement initiatives carried out by Enel in relation to significant Group stakeholders, namely business community, customers, financial community, national and international institutions, civil society and local communities, media, suppliers and contractors, and Enel people have been assessed. There was found an increasing level of capitalization of feedback initiatives to monitor the results of operations by the Company and its Business Lines. Examples include the customer satisfaction surveys carried out by the various Market areas, the #Iworkfromhome survey conducted by the Global People and Organization Function, designed to test the perception of Enel people in relation to post-Covid smart working experience, and the sustainability rating agency questionnaires administered by the Holding unit. Furthermore, various *ad hoc* initiatives were carried out for the materiality analysis, such as the online survey addressed to suppliers and carried out by the Global Procurement Function. Other sources considered in the analysis are complaints from customers, relations with analysts and investors, relations with representative and trade associations, institutional relations at the national and local level, trade union relations, media monitoring and opinion polls.

Each unit responsible for relations with stakeholders in the countries of presence seeks to engage an increasing-

2020 Expectations matrix



BUSINESS AND GOVERNANCE ISSUES

- A Energy distribution
- B Decarbonization of the energy mix
- C Customer focus
- D Ecosystems and platforms[1]
- E Sound governance and fair corporate conduct
- F Economic and financial value creation
- N Innovation and digital transformation

SOCIAL ISSUES

- G Engaging local communities
- H People management, development and motivation
- I Occupational health and safety
- L Sustainable supply chain

ENVIRONMENTAL ISSUES

- B Decarbonization of the energy mix
- M Environmental management

(1) Includes the following issues: "New technologies and solutions for Homes and Condominiums"; "New technologies and solutions for Cities"; "New technologies and solutions for Industries"; "Electric mobility".

ly large number of stakeholders, while selecting those are most relevant to the activities pertaining to the unit itself. Specifically, in the context of the Global Power Generation Business Line, in 2020 the Argentinian Sustainability unit carried out engagement initiatives, especially in relation to civil society and local communities; conversely, the Endesa SA Sustainability unit focused on the use of surveys aimed at engaging suppliers and contractors. In some cases, where necessary, stakeholder engagement is carried out *ad hoc* for execution of the materiality analysis.

5 Assessment of priorities to the issues in company strategies in relation to the impacts generated

102-46 | 102-47 | 103-1

The materiality of the various issues in Enel's strategies was assessed through the involvement of the various company Functions and submitted to the Chairman and Chief Executive Officer by means of a specific interview and administration of a dedicated online survey. This analysis reflects the guidelines set down in the 2021-2023 Strategic Plan, the goals of the Functions/Business Lines, and the commitments assumed by the Group through its policies and rules of conduct.

Further to the "Impact Evaluation" pilot project launched in 2019, in 2020 the analysis was completed in order to identify the impacts generated by the Company on the economy, the environment, and people, considering possible violations of human rights in relation to negative impacts, and assessing the contribution to sustainable development in relation to positive impacts. The project, which was rolled out in all the 18 countries that carry out the materiality analysis, was conducted by each local Sustainability unit which, in line with the requirements of the main reference standards (notably the "Exposure Draft" document published by GRI in June 2020), identified the main positive and negative impacts starting from an external context analysis, i.e. considering the highest priority issues for stakeholders; moreover, each impact was analyzed in accordance with its direct and indirect contribution to the SDGs, in line with the commitment assumed by the Group, and with respect to the management tools implemented to monitor the set objectives.

In addition to this project, the "Actual Response" evaluation activity, concerning all the countries involved in the materiality analysis process, was carried out also in 2020. The evaluation was designed to collect and process the measures implemented by Group companies to manage the highest priority issues, such as risk analysis, definition of targets, and study of performance achieved, in order to make a comparative assessment of the Company's level of coverage of the issues in question.

In relation to the activities described above, the following table summarizes the results, representing, for the three material issues identified by stakeholders, the main risks borne, the main positive and negative impacts generated by the Company in relation to the external context, the reference SDGs for impacts that create value for the community and/or the environment, and the strategies and performance adopted by the Company. We have included, by way of example, several cases that emerged from the analysis thanks to the contribution of the local Sustainability units.

As regards the "Energy distribution" issue, Romania identified a potential negative impact concerning the increase of noise and environmental pollution as a result of new investments in the network, which could generate repercussions in the short term in relation to various stakeholder categories, including employees, communities, and suppliers. Concerning the "Decarbonization of the energy mix" issue, Russia too identified a potential negative impact associated with the increased local unemployment rate caused by the closure of conventional power plants, which could have short term effects from the economic and social perspectives in relation to the local communities surrounding the plants in question. Finally, in relation to the issue of "Sound governance and fair corporate conduct", Argentina recorded a positive impact due to the Company's adoption of measures and standards (e.g. ISO 37001) designed to mitigate corruption problems at the local level, generating a direct and immediate effect on the community in question and also contributing to SDG 16 (Peace, justice and strong institutions).

Materiality issues for stakeholders	Area of risk	Main impact incurred	Main impact generated	Impact classification	Reference SDG for positive impacts	Strategy and performance (Ref. Report chapter)
ENERGY DISTRIBUTION	Service quality management	Potential reputational, economic or financial losses due to failure to achieve the required and agreed service levels	Reduction of network reliability due to delayed maintenance	⊖	-	"Electrification, digital and platforms"
			Guarantee of access to electricity in rural areas thanks to service quality improvements	⊕	7, 9, 11	"Local and global communities"
SOUND GOVERNANCE AND FAIR CORPORATE CONDUCT	Compliance with laws and regulations	The practices adopted by the company do not comply with the internal procedures and/or policies and/or with the law and external regulations	Aid/fail to help reduce corruption at local level through the adoption of measures and standards by the Company (e.g. ISO 37001)	⊖ ⊕	16	"Sound governance"
DECARBONIZATION OF THE ENERGY MIX	Climate change	Inadequate definition of the Group strategy due to errors in estimating the effect of ongoing climate change on Group operations and/or due to estimates based on unrealistic/unreliable data	Redeployment of local personnel due to closure of conventional power plants	⊖	-	"Our people"
			Increase in installed renewable capacity in order to make the national energy mix more sustainable and reduce GHG emissions	⊕	7, 13	"Net-zero ambition"

Impact classification ⊕ Positive ⊖ Negative

Reconciliation of the issues of the materiality analysis and GRI Standards

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

Thanks to its representation in the materiality matrix in the "At a Glance" chapter (with reference to the "Our priorities" section), joint analysis of stakeholder and Company aspects has made it possible to assess the degree of "alignment" or "misalignment" between the priority of action assigned by the stakeholders to the various issues and the degree of commitment assumed by the Group in relation to the same issues. The following table contains the codes for the issues 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 category	2020 materiality assessment issue	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	-	-	-
	Sound governance and fair corporate conduct	GRI 205: Anti-corruption	Group	-	-	-
		GRI 206: Anti-competitive behavior				
		GRI 207: Taxes				
		GRI 406: Non-discrimination				
		GRI 415: Public policy				
	Decarbonization of the energy mix	GRI 201: Economic performance	Group	-	-	-
		GRI 305: Emissions				
		System efficiency				
	Customer focus	GRI 417: Marketing and labelling	Group	-	-	-
		GRI 418: Customer privacy				
		Provision of information				
	Ecosystems and platforms[1]	Research & Development	Group	-	-	-
	Energy distribution	Access	Group	-	-	-
		System efficiency				
		Demand management				
	Innovation and digital transformation	Research & Development	Group	-	-	-

(1) Includes the following issues: "New technologies and solutions for Homes and Condominiums"; "New technologies and solutions for Cities"; "New technologies and solutions for Industries"; "Electric mobility".

ESG category	2020 materiality assessment issue	GRI Standard or Electric Utilities Sector Disclosures Aspect	Internal boundary	External boundary	Reporting limitations on internal boundary	Reporting limitations on external boundary
ENVIRONMENTAL	Environmental management	GRI 301: Materials	Group	-	-	-
		GRI 302: Energy				
		GRI 303: Water and wastewater				
		GRI 304: Biodiversity				
		GRI 305: Emissions				
		GRI 306: Waste				
		GRI 307: Environmental compliance				
SOCIAL	People management, development and motivation	GRI 401: Employment	Group	-	-	-
		GRI 402: Labor/Management relations				
		GRI 404: Training and education				
		GRI 405: Diversity and equal opportunity				
		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				
	Occupational health and safety	GRI 403: Occupational health and safety	Group	Suppliers	-	Reporting not extended to suppliers
	Engaging local communities	GRI 411: Rights of indigenous peoples	Group	-	-	-
		GRI 413: Local communities				
		GRI 416: Customer health and safety				
		Disaster/emergency planning and response				
		Access				
	Sustainable supply chain	GRI 204: Procurement practices	Group	Suppliers	-	Reporting not extended to suppliers
		GRI 308: Supplier Environmental Assessment				
		GRI 414: Supplier Social Assessment				

The reporting process

The structure of the 2020 Sustainability Report was developed in accordance with the materiality analysis, focusing more closely on the material issues, which are covered in detail in 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 (2020 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 2021-2023 period, as illustrated by the Sustainability Plan (see "Our sustainability strategy" section of the "At a Glance" chapter).

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 2020 *Informe de Sostenibilidad* by Endesa and Enel Américas for additional details concerning initiatives dedicated to customers and local communities in Spain and South 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 Innovability® Function, is responsible for consolidating information and coordinating the entire 2020 Sustainability Report drafting process.

The Report was submitted for analysis and evaluation to the Enel Control and Risk Committee on April 12, 2021 and to the Corporate Governance and Sustainability Committee on April 14. It was approved by the Board of Directors on April 15. 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. The audit report, which contains a detailed description of the principles adopted, activities performed and conclusions reached, is attached hereto.

In addition, the report on the green bond, also subjected to limited assurance 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 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).

(1) International Standard on Assurance Engagements (ISAE) 3000 revised, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

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, 2020, 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[2], 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 2020, for which, on the basis of prevailing practice, as also represented in the Consob report of January 19, 2018[3], it was decided to begin consolidation, with regard to some of the areas covered in this document, with effect from 2021, 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 the Wild Plains special purpose vehicle, 100% controlled by Tradewind. The sale did not produce any accounting impacts in profit and loss;
- sale by Endesa Energia of 80% of Endesa Soluciones. This investment, which was previously fully consolidated, is now measured at equity;
- acquisition by Enel Green Power España of 100% of Parque Eólico Tico SLU, Tico Solar 1 SLU and Tico Solar 2 SLU;
- acquisition by Endesa Generación Portugal of 100% of Suggestion Power Unipessoal Lda;
- acquisition by Enel X International of a 60% stake in Viva Labs AS;
- acquisition by Enel Green Power Panamá of 100% of Jagüito Solar and Progreso Solar;
- disposal of several joint ventures held at 50%, included in the Enel North America hydroelectric portfolio.

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 2020".

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 2020 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 2019, 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 2020 and 2019, 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 "-".

(2) 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.

(3) 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.

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[4]
g/kWh eq / grams per equivalent kilowatt hour
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[5]
kWh/t / kilowatt hours per ton
kWp / peak kilowatts
l/kWh / liters per kilowatt hour
l/kWh eq / liters per equivalent kilowatt hour[5]
billions of m^3 / billions of cubic meters
MJ/kWh eq / megajoules per equivalent kilowatt hour[5]
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 m^3 / 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
Toe / tons of oil equivalent
TJ / terajoules
TWh / Terawatt hours

Acronyms

BOD Biochemical Oxygen Demand
BoD Board of Directors
CCGT Combined Cycle Gas Turbine
CERT Cyber Emergency Readiness Team
COD Chemical Oxygen Demand
CSR Corporate Social Responsibility
CSV Creating Shared Value
LV Low Voltage
EBIT Earnings Before Interest and Tax
EBITDA Earnings Before Interest, Tax, Depreciation and Amortization
EBT Earnings Before Tax
EGP Enel Green Power
EIB European Investment Bank
EPS Earnings per Share
ESG Environmental Social & Governance
HV High Voltage
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
RT Remote Training
SCIGR Internal Control and Risk Management System
S&P Standard & Poor's
SRI Socially Responsible Investor
TSR Total Shareholder Return
SDG Sustainable Development Goal
TCFD Task Force on Climate-related Financial Disclosure
UN United Nations

(4) Corresponding to the sum of electrical energy and heat.

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(Translation from the Italian original which remains the definitive version)

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 limited assurance engagement on the 2020 consolidated non-financial statement of the Enel Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 15 March 2021 (the "NFS").

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.

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 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.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. 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 NFS 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 NFS are based on our professional judgement and include inquiries of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed 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 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 disclosures 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 disclosed in the NFS.

   Specifically, we held interviews and discussions with the parent's management personnel and personnel of Enel Russia PJSC, Emgesa SA ESP, Enel Produzione S.p.A. and Endesa Generación S.A.. 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 NFS.

   Furthermore, with respect to significant information, considering the group's business and characteristics:

   - at parent 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;

   - at subsidiaries level,

     we held videoconferences with the management of Enel Russia PJSC, Emgesa SA ESP and Enel Produzione S.p.A., 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.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2020 consolidated non-financial statement 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.

Other matters

The NFS presents the corresponding figures included in the 2018 and 2019 consolidated non-financial statements for comparative purposes, on which other auditors performed a limited assurance engagement and expressed their unqualified conclusions on 17 April 2019 and 8 April 2020, respectively.

Rome, 19 April 2021

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

Enel S.p.A.

Certificate of verification by the DNV GL Certification Body of the ENEL Group's greenhouse gas emissions reported in the 2020 Sustainability Report.

The verification was conducted by DNV GL in accordance with ISO 14064-3 with a reasonable level of guarantee for all Scope 1 and Scope 2 emissions reported by the Group. Scope 3 emissions were verified with a limited level of guarantee, excepted for Scope 3 emissions associated with the use of natural gas sold in the retail market, which was verified with a reasonable level of guarantee.

VERIFICATION STATEMENT

Statement No:
10000456232-Assessment Services-ACCREDIA-ITA

First Issuance Date:
16 April 2021

Statement Validity:
16 April 2021 – 15 April 2022

DNV Business Assurance has verified, in accordance with the Standard ISO 14064-3, the Greenhouse Gas (hereinafter "GHG") emissions of the organization

ENEL SpA

Viale Regina Margherita,137
00198 Rome

reported in the GHG inventory descriptive document entitled "Quantificazione e rendicontazione delle emissioni di gas a effetto serra secondo lo standard corporativo 'The Greenhouse Gas Protocol' del anno 2020" (hereinafter "the GHG Inventory Report") issued the 15 April 2021 by ENEL SpA using a financial control consolidation approach and relative to the direct and the indirect activities below reported carried out worldwide by the Group companies described in the aforementioned GHG Inventory Report.

Based on our verification process procedures, DNV GL states that:
- the aforementioned GHG Inventory Report has been issued by ENEL SpA in compliance with the revised edition of "The Greenhouse Gas Protocol" corporate standard. The report covers the reporting period from the 1 January 2020 to 31 December 2020 with the following results (values rounded to tons):

GHGs (tons CO_{2-eq})	2020							2017
	CO_2	CH_4	N_2O	NF_3	SF_6	HFCs	TOTAL	BASELINE
DIRECT EMISSIONS (SCOPE1)	44,901,758	24,571	101,089	10	156,418	71,153	45,255,000	86,156,859
From Electricity Power Generaltion	44,731,697	23,934	96,815	----	24,954	9,528	44,886,928	85,918,515
From Electricity Distribution	15,404	18	1,588	----	131,464	0	148,473	150,292
From Services	142,312	614	2,680	----	----	61,625	207,230	88,052
From Other Activities	12,345	6	6	10	0	0	12,367	0
ENERGY INDIRECT EMISSIONS LOC (SCOPE2)	----	----	----	----	----	----	4,990,685	5,003,304
From electricity purchased from the grid (location based)	----	----	----	----	----	----	1,430,001	1,497,912
From grid trasmission & distribution losses (location based	----	----	----	----	----	----	3,560,684	3,505,392
ENERGY INDIRECT EMISSIONS MKT (SCOPE2)	----	----	----	----	----	----	7,855,954	7,210,693
From electricity purchased from the grid (market based)	----	----	----	----	----	----	2,284,890	2,194,024
From grid trasmission & distribution losses (market based)	----	----	----	----	----	----	5,571,064	5,016,669
OTHER INDIRECT EMISSIONS (SCOPE3)	46,619,125	1,070,832	11,690				47,701,647	55,397,102
Cat.3 Fuel and Energy related activities	----	1,061,268	----	----	----	----	1,061,268	3,815,830
Cat.4 Upstream transportation and distribution	115,519	----	----	----	----	----	115,519	831,265
Cat.11 electricity sold in the retail market	25,041,014	----	----	----	----	----	25,041,014	25,460,118
Cat.11 natural gas sold in the retail market	21,462,592	9,564	11,690	----	----	----	21,483,846	25,289,889
TOTAL EMISSIONS (Location Based)	----	----	----	----	----	----	97,947,332	146,557,265
TOTAL EMISSIONS (Market Based)	----	----	----	----	----	----	100,812,601	148,764,654

- Scope 1 and Scope 2 emissions and Scope 3 emission associated to use of natural gas sold in the retail market provide, in our opinion and with the qualification listed in the annex of this Statement, a balanced representation of GHG emissions associated to the reported activities of the organisation in the reporting period.
- with regards to the Scope 3 emissions not associated to use of natural gas sold in the retail market, nothing has come to our attention showing that what reported by the organization is not a balanced representation of GHG emissions associated to the reported activities carried out by third parties in the reporting period

Place and date:
Vimercate 16 April 2021

For the issuing DNV GL office:
DNV GL – Business Assurance

Zeno Beltrami
Management Representative

Lack of fulfillness with the conditions laid down in the certification contract may render this certificate not valid
DNV GL Business Assurance Italia S.r.l. - Via Energy Park, 14 - 20871 Vimercate (MB) - Italy – Tel. 039.68 99 905 – www.dnvgl.com/it

SUSTAINABILITY STATEMENT: PERFORMANCE INDICATORS

The key sustainability performance indicators are listed below and form an integral part of this Sustainability Report.

AT A GLANCE

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
EU1	**GENERATION**							
	Installed capacity							
	Net efficient generation capacity by primary energy source							
	Thermal net capacity	(MW)	**35,623**	**38,897**	**43,099**	-3,274	-8.4	Enel
	Coal	(MW)	8,903	11,695	15,828	-2,792	-23.9	Enel
	CCGT	(MW)	15,009	14,991	15,021	18	0.1	Enel
	Oil/Gas	(MW)	11,711	12,211	12,250	-500	-4.1	Enel
	Nuclear net capacity	(MW)	**3,328**	**3,318**	**3,318**	10	0.3	Enel
	Renewable net capacity	(MW)	**45,016**	**42,134**	**39,203**	2,882	6.8	Enel
	Hydroelectric	(MW)	27,820	27,830	27,844	-10	-	Enel
	Wind	(MW)	12,412	10,327	8,190	2,085	20.2	Enel
	Geothermal	(MW)	882	878	804	4	0.5	Enel
	Biomass and cogeneration	(MW)	5	5	42	-	-	Enel
	Photovoltaic	(MW)	3,897	3,094	2,322	803	26.0	Enel
	Total net electrical capacity	(MW)	**83,967**	**84,349**	**85,620**	-382	-1,271	Enel
	Net efficient generation capacity by geographic area							
	Italy	(MW)	**26,400**	**27,451**	**27,624**	-1,051	-3.8	Italy
	Iberia	(MW)	**21,652**	**23,348**	**22,717**	-1,696	-7.3	Iberia
	Latin America	(MW)	**21,960**	**21,200**	**21,603**	760	3.6	Latin America
	Chile	(MW)	7,118	7,232	7,448	-114	-1.6	Chile
	Argentina	(MW)	4,419	4,419	4,419	-	-	Argentina
	Colombia	(MW)	3,592	3,592	3,583	-	-	Colombia
	Peru	(MW)	2,301	2,299	2,297	2	0.1	Peru
	Brazil	(MW)	3,922	3,050	3,250	872	28.6	Brazil
	Uruguay	(MW)	-	-	-	-	-	Uruguay
	Costa Rica	(MW)	81	81	81	-	-	Costa Rica
	Guatemala	(MW)	164	164	164	-	-	Guatemala
	Panama	(MW)	362	362	362	-	-	Panama
	North America	(MW)	**6,643**	**5,282**	**3,220**	1,361	25.8	North America
	United States	(MW)	5,268	4,437	2,921	831	18.7	United States
	Mexico	(MW)	1,165	845	299	320	37.9	Mexico
	Canada	(MW)	210	-	-	210	-	Canada
	Europe	(MW)	**6,402**	**6,292**	**9,761**	110	1.7	Europe
	Russia	(MW)	5,350	5,255	8,878	95	1.8	Russia
	Romania	(MW)	534	534	534	-	-	Romania
	Greece	(MW)	475	461	307	-	-	Greece
	Bulgaria	(MW)	42	42	42	-	-	Bulgaria

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Africa, Asia and Oceania	(MW)	**911**	**776**	**695**	135	17.3	Africa, Asia and Oceania
	South Africa	(MW)	670	570	522	100	17.6	South Africa
	India	(MW)	172	172	172	-	-	India
	Zambia	(MW)	34	34	-	-	-	Zambia
	Australia	(MW)	34	-	-	34	-	Australia
	Total net electrical capacity	(MW)	**83,967**	**84,349**	**85,620**	-382	-0.5	Enel
	Power generation plants							
	Thermoelectric plants [1]	(no.)	**81**	**84**	**89**	-3	-3.6	Enel
	Coal plants	(no.)	10	12	16	-2	-16.7	Enel
	CCGT plants	(no.)	23	23	23	-	-	Enel
	Oil/Gas plants	(no.)	48	49	50	-1	-2.0	Enel
	Nuclear plants	**(no.)**	**4**	**4**	**4**	-	-	Enel
	Renewable energy plants	(no.)	**1,173**	**1,138**	**1,094**	35	3.1	Enel
	Hydroelectric plants	(no.)	748	761	750	-13	-1.7	Enel
	- of which mini-hydro plants (< 10 MW)	(no.)	460	473	460	-13	-2.7	Enel
	Wind plants	(no.)	262	226	202	36	15.9	Enel
	Photovoltaic plants	(no.)	122	105	99	17	16.2	Enel
	Geothermal plants	(no.)	39	38	35	1	2.6	Enel
	Biomass plants	(no.)	2	8	8	-6	-75.0	Enel
	OPERATING RESULTS							
EU2	**GENERATION**							
	Net production by primary energy source							
	Thermal net production	(GWh)	**75,909**	**103,459**	**127,333**	-27,550	-26.6	Enel
	Coal	(GWh)	13,155	37,592	64,366	-24,437	-65.0	Enel
	CCGT	(GWh)	43,353	44,980	38,134	-1,627	-3.6	Enel
	Oil/Gas	(GWh)	19,401	20,887	24,832	-1,486	-7.1	Enel
	Nuclear net production	(GWh)	**25,839**	**26,279**	**24,067**	-440	-1.7	Enel
	Renewable net production	(GWh)	**105,360**	**99,391**	**98,940**	5,969	6.0	Enel
	Hydroelectric	(GWh)	62,437	62,580	65,893	-143	-0.2	Enel
	Wind	(GWh)	30,992	26,668	22,161	4,324	16.2	Enel
	Geothermal	(GWh)	6,167	6,149	5,881	18	0.3	Enel
	Biomass and cogeneration	(GWh)	1	21	108	-20	-95.6	Enel
	Photovoltaic	(GWh)	5,763	3,974	4,897	1,789	45.0	Enel
	Total net production	(GWh)	**207,108**	**229,129**	**250,339**	-22,021	-9.6	Enel
	Net production by geographic area							
	Italy	(GWh)	**42,495**	**46,912**	**53,232**	-4,417	-9.4	Italy
	Iberia	(GWh)	**56,269**	**61,402**	**74,193**	-5,133	-8.4	Iberia
	Latin America	(GWh)	**69,165**	**71,836**	**70,578**	-2,671	-3.7	Latin America
	Chile	(GWh)	19,331	21,041	20,885	-1,710	-8.1	Chile
	Argentina	(GWh)	13,901	12,974	13,949	927	7.1	Argentina
	Colombia	(GWh)	14,146	15,362	14,053	-1,216	-7.9	Colombia
	Peru	(GWh)	8,774	9,249	8,999	-475	-5.1	Peru
	Brazil	(GWh)	10,713	11,077	9,840	-364	-3.3	Brazil
	Uruguay	(GWh)	-	-	170	-	-	Uruguay
	Costa Rica	(GWh)	213	198	305	15	7.7	Costa Rica
	Guatemala	(GWh)	518	430	568	88	20.5	Guatemala
	Panama	(GWh)	1,569	1,505	1,808	64	4.2	Panama
	North America	(GWh)	**17,182**	**12,969**	**9,752**	4,213	32.5	North America
	United States	(GWh)	14,695	11,923	7,133	2,772	23.2	United States
	Mexico	(GWh)	1,920	1,046	2,619	874	83.6	Mexico
	Canada	(GWh)	566	-	-	566	-	Canada
	Europe	(GWh)	**20,461**	**34,438**	**41,076**	-13,977	-40.6	Europe
	Russia	(GWh)	18,087	32,433	39,182	-14,346	-44.2	Russia
	Romania	(GWh)	1,275	1,251	1,227	24	1.9	Romania
	Greece	(GWh)	999	666	577	333	50.0	Greece
	Bulgaria	(GWh)	100	88	91	12	14.0	Bulgaria
	Africa, Asia and Oceania	(GWh)	**1,537**	**1,571**	**1,508**	-34	-2.2	Africa, Asia and Oceania
	South Africa	(GWh)	1,242	1,235	1,192	7	0.5	South Africa
	India	(GWh)	237	303	315	-66	-21.7	India
	Zambia	(GWh)	58	33	-	25	75.8	Zambia
	Total net production	(GWh)	**207,108**	**229,129**	**250,339**	-22,021	-9.6	Enel
	Development of renewables							
	New renewable power [2]**:**	(MW)	**2,908**	**3,575**	**2,682**	-667	-18.7	Enel
	Hydroelectric	(MW)	15	51	71	-36	-70.6	Enel
	Wind	(MW)	2,086	2,227	1,415	-141	-6.3	Enel
	Geothermal	(MW)	4	75	1	-71	-94.7	Enel
	Biomass and cogeneration	(MW)	-	-	-	-	-	Enel
	Photovoltaic	(MW)	803	1,222	1,195	-419	-34.3	Enel
	NETWORK							
EU4	**Total electricity distribution network** [3]	(km)	**2,231,961**	**2,219,007**	**2,226,097**	12,954	0.6	Enel
	Total high-voltage network	(km)	46,661	46,432	46,261	229	0.5	Enel
	- of which underground cable	(km)	1,992	1,992	1,976	-	-	Enel
	Total medium-voltage network	(km)	894,282	887,439	889,692	6,843	0.8	Enel
	- of which underground cable	(km)	223,507	221,447	219,203	2,060	0.9	Enel
	Total low-voltage network	(km)	1,291,018	1,285,136	1,290,144	5,882	0.5	Enel
	- of which underground cable	(km)	413,636	405,321	403,098	8,315	2.1	Enel
EU4	**Electricity distribution network by geographic area**							
	Total electricity distribution network Italy	(km)	**1,159,859**	**1,157,527**	**1,153,323**	2,332	0.2	Italy
	High-voltage network	(km)	20	22	13	-2	-10.8	Italy
	- of which underground cable	(km)	11	11	11	-	-	Italy
	Medium-voltage network	(km)	357,799	356,622	354,884	1,177	0.3	Italy
	- of which underground cable	(km)	153,073	151,703	150,201	1,370	0.9	Italy
	Low-voltage network	(km)	802,041	800,883	798,426	1,158	0.1	Italy
	- of which underground cable	(km)	278,936	278,255	276,744	681	0.2	Italy
	Total electricity distribution network Romania	(km)	**131,322**	**129,363**	**128,508**	1,959	1.5	Romania
	High-voltage network	(km)	6,528	6,521	6,511	7	0.1	Romania
	- of which underground cable	(km)	312	311	304	1	0.3	Romania
	Medium-voltage network	(km)	35,630	35,173	35,062	457	1.3	Romania
	- of which underground cable	(km)	13,981	13,675	13,343	306	2.2	Romania
	Low-voltage network	(km)	89,164	87,669	86,935	1,495	1.7	Romania
	- of which underground cable	(km)	27,586	21,004	20,829	6,582	31.3	Romania
	Total electricity distribution network Iberia	(km)	**315,365**	**316,332**	**319,613**	-967	-0.3	Iberia
	High-voltage network	(km)	19,642	19,593	19,625	49	0.2	Iberia
	- of which underground cable	(km)	793	787	787	6	0.8	Iberia
	Medium-voltage network	(km)	114,003	115,943	118,531	-1,940	-1.7	Iberia

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	- of which underground cable	(km)	41,033	40,771	41,188	262	0.6	Iberia
	Low-voltage network	(km)	181,720	180,795	181,457	925	0.5	Iberia
	- of which underground cable	(km)	86,024	85,281	85,067	743	0.9	Iberia
	Total electricity distribution network Latin America [3]	(km)	**625,415**	**615,786**	**624,653**	9,629	1.6	Latin America
	High-voltage network	(km)	20,472	20,296	20,112	176	0.9	Latin America
	- of which underground cable	(km)	885	883	874	2	0.2	Latin America
	Medium-voltage network	(km)	386,850	379,701	381,214	7,149	1.9	Latin America
	- of which underground cable	(km)	15,420	15,298	14,471	122	0.8	Latin America
	Low-voltage network	(km)	218,093	215,789	223,326	2,304	1.1	Latin America
	- of which underground cable	(km)	21,090	20,781	20,458	309	1.5	Latin America
	Energy transported [4]	(TWh)	484.6	507.7	484.4	-23	-4.5	Enel
	SALES							
	Electricity volumes sold by market [5]							
	Volumes sold free market	(GWh)	**160,202**	**172,700**	**152,619**	-12,498	-7.2	Enel
	Italy	(GWh)	59,900	61,985	64,500	-2,085	-3.4	Italy
	Iberia	(GWh)	69,430	78,056	76,772	-8,626	-11.1	Iberia
	Romania	(GWh)	7,178	7,647	7,519	-469	-6.1	Romania
	Latin America	(GWh)	23,694	25,012	3,828	-1,318	-5.3	Latin America
	Volumes sold regulated market	(GWh)	**137,984**	**149,324**	**142,813**	-11,340	-7.6	Enel
	Italy	(GWh)	30,305	35,554	39,818	-5,249	-14.8	Italy
	Iberia	(GWh)	11,342	11,385	12,867	-43	-0.4	Iberia
	Romania	(GWh)	1,643	2,088	2,881	-445	-21.3	Romania
	Latin America	(GWh)	94,694	100,297	87,247	-5,603	-5.6	Latin America
	Total volumes sold	(GWh)	**298,186**	**322,024**	**295,432**	-23,838	-7.4	Enel
	Electricity volumes sold by geographic area [5]							
	Italy	(GWh)	90,205	97,539	104,318	-7,334	-7.5	Italy
	Iberia	(GWh)	80,772	89,441	89,639	-8,669	-9.7	Iberia
	Romania	(GWh)	8,821	9,735	10,400	-914	-9.4	Romania
	Latin America	(GWh)	118,388	104,962	91,075	13,426	12.8	Latin America
	Volumes sold gas [6]	(bn m^3)	**9.7**	**10.7**	**11.2**	-1.0	-9.4	Enel
	Italy	(bn m^3)	4.4	4.7	4.8	-0.3	-7.2	Italy
	- mass market customers	(bn m^3)	2.9	3.0	3.0	-0.1	-2.4	Italy
	- business customers	(bn m^3)	1.5	1.8	1.8	-0.3	-15.3	Italy
	Iberia	(bn m^3)	5.0	5.8	6.4	-0.8	-13.0	Iberia
	Romania	(bn m^3)	0.1	-	-	0.1	-	Romania
	Latin America	(bn m^3)	0.2	0.2	-	-	-	Latin America
102-7	**ECONOMIC RESULTS**							
	Revenues	(mil euros)	**64,985**	**80,327**	**75,575**	-15,343	-19.1	Enel
	Italy	(mil euros)	31,267	41,779	38,398	-10,512	-25.2	Italy
	Iberia	(mil euros)	17,174	19,054	19,492	-1,881	-9.9	Iberia

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Latin America	(mil euros)	13,817	16,793	14,742	-2,977	-17.7	Latin America
	Europe	(mil euros)	2,085	2,400	2,361	-314	-13.1	Europe
	North America	(mil euros)	1,367	1,469	1,438	-102	-6.9	North and Central America
	Africa, Asia and Oceania	(mil euros)	153	159	101	-6	-3.8	Africa, Asia and Oceania
	Other, eliminations and adjustments	(mil euros)	-878	-1,327	-860	449	-33.8	Other, eliminations and adjustments
	EBITDA	(mil euros)	**16,816**	**17,704**	**16,351**	-888	-5.0	Enel
	Italy	(mil euros)	7,824	7,628	7,304	196	2.6	Italy
	Iberia	(mil euros)	3,775	3,792	3,558	-17	-0.4	Iberia
	Latin America	(mil euros)	4,063	5,303	4,543	-1,240	-23.4	Latin America
	Europe	(mil euros)	509	448	516	61	13.6	Europe
	North America	(mil euros)	778	799	535	-21	-2.6	North America
	Africa, Asia and Oceania	(mil euros)	55	61	54	-6	-9.8	Africa, Asia and Oceania
	Other, eliminations and adjustments	(mil euros)	-188	-327	-159	139	-42.5	Other, eliminations and adjustments
	Italy	(%)	46.6	43.1	44.7	3.5	-	Italy
	Iberia	(%)	22.4	21.4	21.8	1.0	-	Iberia
	Latin America	(%)	24.2	30.0	27.8	-5.8	-	Latin America
	Europe	(%)	3.0	2.5	3.2	0.5	-	Europe
	North America	(%)	4.6	4.5	3.3	0.1	-	North America
	Africa, Asia and Oceania	(%)	0.3	0.3	0.3	-	-	Africa, Asia and Oceania
	Other, eliminations and adjustments	(%)	-1.1	-1.8	-1.0	0.7	-	Other, eliminations and adjustments
	EBIT	(mil euros)	**8,368**	**6,878**	**9,900**	1,490	21.7	Enel
	EBT	(mil euros)	**5,463**	**4,312**	**8,201**	1,151	26.7	Enel
	Group net income	(mil euros)	**3,622**	**2,174**	**4,789**	1,448	66.6	Enel
201-2	**Creating value for stakeholders**							
	Revenues	(mil euros)	64,985	80,327	75,575	-15,342	-19.1	Enel
	External costs	(mil euros)	-212	56,022	53,833	-56,234	-	Enel
	Net income/(expenses) from commodity risk	(mil euros)	41,812	-733	532	42,545	-	Enel
	Gross global added value continuing operations	(mil euros)	**22,961**	**23,572**	**22,274**	-611	-2.6	Enel
	Shareholders	(mil euros)	3,487	3,050	2,765	437	14.3	Enel
	Lenders	(mil euros)	2,340	2,609	2,493	-269	-10.3	Enel
	Employees	(mil euros)	4,793	4,634	4,582	159	3.4	Enel
	State	(mil euros)	3,166	2,069	3,168	1,097	53.0	Enel
	Business system	(mil euros)	9,175	11,210	9,266	-2,035	-18.2	Enel
	Economic value generated							
	Economic value generated directly							
	Revenues	(mil euros)	65,081	80,327	75,575	-15,246	-19.0	Enel
	Economic value distributed	(mil euros)	**56,985**	**66,067**	**63,545**	-9,082	-13.7	Enel
	Operating costs	(mil euros)	41,702	56,755	53,302	-15,053	-26.5	Enel
	Personnel and benefit cost	(mil euros)	3,956	4,634	4,582	-678	-14.6	Enel
	Payment to lenders of capital	(mil euros)	7,082	2,609	2,493	4,473	-	Enel
	Payments to governments	(mil euros)	4,245	2,069	3,168	2,176	-	Enel
	Gross added value continuing operations	(mil euros)	-	-	-	-	-	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Economic value generated	(mil euros)	**8,096**	**14,260**	**12,030**	-6,164	-43.2	Enel
	Investments							
	Investments [6]	(mil euros)	**10,197**	**9,947**	**8,152**	250	2.5	Enel
	Total Italy	(mil euros)	**2,842**	**2,635**	**2,479**	207	7.9	Italy
	Iberia	(mil euros)	**1,638**	**2,020**	**1,433**	-382	-18.9	Iberia
	Latin America	(mil euros)	**2,859**	**2,632**	**2,259**	227	8.6	Latin America
	Europe	(mil euros)	**411**	**458**	**390**	-47	-10.3	Europe
	North America	(mil euros)	**1,816**	**1,806**	**1,360**	10	0.6	North America
	Africa, Asia and Oceania	(mil euros)	**417**	**275**	**142**	142	51.6	Africa, Asia and Oceania
	Total Abroad	(mil euros)	**7,142**	**7,191**	**5,584**	-49	-0.7	Total Abroad
	Adjustments	(mil euros)	213	121	89	92	76.0	Enel
	Weight of foreign investments	(%)	70.0	72.3	68.5	-2.3	-	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 South America. The value does not include managed capacity, the overall value of capacity is 3.1 GW.

(3) The 2019 figures include a more specific determination thereof.

(4) The distributed electricity figure for 2019 takes into account a more precise determination of the quantities transported.

(5) The volumes also include sales to large customers made by generating companies in Latin America; the 2019 figure has been adjusted to standardize data comparability.

(6) The data refers only to continuing operations and therefore do not include the figures for 'assets held for sale'.

NET-ZERO AMBITION

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	EMISSIONS							
305-5	**Avoided emissions** [1]	(mil t)	**74.8**	**77.1**	**78.5**	-2.3	-3.0	Enel
305-1	**Direct greenhouse gas emissions (Scope 1)**							
	CO_2 emissions from the electricity production and heat	(mil t)	44.67	69.39	94.44	-24.72	-35.6	Enel
	Other CO_{2eq} emissions due to electricity production and other activities [2]	(mil t_{eq})	0.59	0.59	0.79	-	-	Enel
	of which: emission from losses of SF_6 from energy production	(mil t_{eq})	0.02	0.03	0.23	-0.01	-20.0	Enel
	of which: emission from losses of SF_6 from energy distribution	(mil t_{eq})	0.13	0.16	0.15	-0.03	-18.8	Enel
	Total direct emissions (Scope 1)	(mil t_{eq})	**45.26**	**69.98**	**95.23**	-24.72	-35.3	Enel
	Specific emissions							
	Specific CO_2 emissions from total net production [3]	(g/kWh)	**211**	**296**	**369**	-85	-28.7	Enel
	Specific CO_{2eq} emissions from Scope 1	(gCO_{2eq}/ kWh)	**214**	**298**	**372**	-84	-28.2	Enel
305-2	**Indirect greenhouse gas emissions (Scope 2)**							
	Purchased electricity from the grid [4]							
	Fuel and stock management	(mil t_{eq})	0.001	0.001	0.002	-	-	Enel
	Electricity distribution	(mil t_{eq})	0.152	0.149	0.168	0.003	2.0	Enel
	Real estate	(mil t_{eq})	0.060	0.081	0.106	-0.021	-25.9	Enel
	Mining	(mil t_{eq})	-	0.003	0.001	-0.003	-86.7	Enel
	Energy production (thermal and hydroelectric plant)	(mil t_{eq})	1.216	1.316	1.122	-0.100	-7.6	
	Total indirect emissions (Scope 2, location based)	(mil t_{eq})	**1.430**	**1.547**	**1.399**	-0.118	-7.6	Enel
	Total indirect emissions (Scope 2, market based)	(mil t_{eq})	**2.285**	**2.301**	**2.107**	-0.016	-0.7	Enel
	Distribution and transmission system: energy losses [5]							
	Emissions due to energy losses (location based)	(mil t_{eq})	**3.56**	**3.82**	**3.68**	-0.26	-6.7	Enel
	Emissions due to energy losses (market based)	(mil t_{eq})	**5.57**	**6.00**	**5.37**	-0.30	-7.2	Enel
305-3	**Other indirect greenhouse emissions (Scope 3)** [6]							
	Coal mining	(mil t_{eq})	1.06	3.33	5.60	-2.27	-68.1	Enel
	Transport of coal by sea	(mil t_{eq})	0.10	0.29	0.80	-0.19	-64.1	Enel
	Transport of coal by train	(mil t_{eq})	-	0.22	0.33	-0.22	-100.0	Enel
	Transport of fuel (gas oil, biomass, WDF)	(mil t_{eq})	0.01	0.01	0.01	-	-11.1	Enel
	Transport of raw materials and waste	(mil t_{eq})	0.01	0.01	0.03	-	-64.3	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	End consumers of the purchased electricity	(mil t_{eq})	25.04	28.98	27.39	-3.94	-13.6	Enel
	End consumers of the purchased gas	(mil t_{eq})	21.48	23.92	25.41	-2.44	-10.2	Enel
	Total indirect emissions (Scope 3)	(mil t_{eq})	**47.70**	**56.92**	**59.56**	-9.22	-16.2	Enel
305-7	Other atmospheric emissions [7]							
	SO_2 emissions	(t)	20,547	138,264	192,796	-117,717	-85.1	Enel
	NO_x emissions	(t)	76,256	141,208	184,468	-64,952	-46.0	Enel
	Dust emissions	(t)	1,243	27,012	43,059	-25,769	-95.4	Enel
	H2S emissions	(t)	4,972	5,162	5,347	-190	-3.7	Enel
	Hg emissions	(t)	0.05	0.11	-	-0.06	-	Enel
	Specific emissions							
	SO_2 emissions	(g/kWh)	0.10	0.59	0.75	-0.49	-83.1	Enel
	NO_x emissions	(g/kWh)	0.36	0.60	0.72	-0.24	-40.0	Enel
	Dust emissions	(g/kWh)	0.01	0.12	0.17	-0.11	-91.7	Enel
305-6	**Ozone Depleting Substances emissions**							
	Total	(kgCFC-11eq)	**22**	**6**	**n.a.**	16	-	Enel
307-1	**Environmental disputes**							
	Environmental proceedings as defendant	(n.)	**255**	**177**	**292**	78	44.1	Enel
	Monetary value of environmental fines	(mil euros)	**84.71**	**70.04**	**12.48**	14.67	20.9	Enel
	ENERGY CONSUMPTION							
302-1	**Fuel consumption by primary source in TJ**							
	from non-renewable sources	(TJ)	**949,152**	**1,203,787**	**1,488,072**	-254,635	-21.2	Enel
	Coal	(TJ)	138,380	371,960	634,761	-233,580	-62.8	Enel
	Lignite	(TJ)	1,353	9,360	18,003	-8,007	-85.5	Enel
	Fuel oil	(TJ)	39,320	50,013	59,997	-10,693	-21.4	Enel
	Natural gas	(TJ)	457,020	425,923	481,105	31,097	7.3	Enel
	Gas oil	(TJ)	39,234	67,489	39,272	-28,255	-41.9	Enel
	Uranium	(TJ)	273,845	279,042	254,934	-5,197	-1.9	Enel
	from renewable resources	(TJ)	**54,990**	**54,185**	**58,992**	715	1.3	Enel
	Biomass, biogas and waste	(TJ)	1,396	1,995	6,615	-599	-30	Enel
	Geothermal fluid	(TJ)	53,504	52,190	52,377	1,314	2.5	Enel
	Total direct consumption	(TJ)	**1,004,052**	**1,257,972**	**1,547,064**	-253,920	-20.2	Enel
	Fuel consumption by in Mtoe							
	from non-renewable sources	(Mtoe)	**22.5**	**28.8**	**35.5**	-6.3	-21.9	Enel
	Coal	(Mtoe)	3.3	8.9	15.2	-5.6	-62.9	Enel
	Lignite	(Mtoe)	0.03	0.2	0.4	-0.2	-84.0	Enel
	Fuel oil	(Mtoe)	0.9	1.2	1.4	-0.3	-25.0	Enel
	Natural gas	(Mtoe)	10.9	10.2	11.5	0.7	6.9	Enel
	Gas oil	(Mtoe)	0.9	1.6	0.9	-0.7	-46.3	Enel
	Uranium	(Mtoe)	6.5	6.7	6.1	-0.2	-2.4	Enel
	from renewable resources	(Mtoe)	**1.4**	**1.3**	**1.5**	0.1	8.0	Enel
	Biomass, biogas and waste	(Mtoe)	0.05	0.05	0.2	-	-	Enel
	Geothermal fluid	(Mtoe)	1.3	1.2	29.8	0.1	8.3	Enel
	Total direct consumption	(Mtoe)	**23.9**	**30.1**	**37.0**	-6.2	-20.5	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Incidence of fuel consumption from non-renewable sources							
	Coal	(%)	14.6	30.9	42.7	-16.3	-	Enel
	Lignite	(%)	0.1	0.7	1.2	-0.6	-	Enel
	Fuel oil	(%)	4.1	4.2	4.0	-0.1	-	Enel
	Natural gas	(%)	48.2	35.4	32.3	12.8	-	Enel
	Gas oil	(%)	4.0	5.6	2.6	-1.6	-	Enel
	Uranium	(%)	28.9	23.3	17.1	5.6	-	Enel
302-1	**Indirect energy consumption by destination**							
	Fuel and stock management	(TJ)	10	19	30	-9	-48.6	Enel
	Electricity production	(TJ)	20,124	15,161	9,953	4,963	32.7	
	Electricity distribution	(TJ)	2,197	1,917	2,107	280	14.6	Enel
	Real estate	(TJ)	808	1,154	1,558	-346	-30.0	Enel
	Mining	(TJ)	6	4	6	2	45.0	Enel
	Total energy consumption	(TJ)	**23,145**	**18,255**	**13,654**	4,889	26.8	Enel
	RAW MATERIALS							
	Resources used in the production process							
301-1	**Fuel consumption for thermoelectric production**							
	from non-renewable sources							
	Coal	(,000 t)	5,893	18,483	31,105	-12,590	-68.1	Enel
	Lignite	(,000 t)	105	730	1,344	-625	-85.6	Enel
	Fuel oil	(,000 t)	975	1,246	1,488	-271	-21.7	Enel
	Natural gas	(Mm^3)	13,075	13,513	13,080	-438	-3.2	Enel
	Gas oil	(,000 t)	906	1,601	929	-695	-43.4	Enel
	from renewable resources							
	Biomass and waste for thermoelectric production	(,000 t)	89	131	574	-42	-32.1	Enel
	Biogas	(Mm^3)	0.1	1.3	1.2	-1.2	-92.3	Enel
	Geothermal steam used for electricity production [8]	(,000 t)	350,090	109,891	53,548	240,199	-	Enel
301-1	**Consumables**							
	Lime	(,000 t)	83.9	295.5	576.1	-280.6	-94.9	Enel
	Ammonia	(,000 t)	16.1	20.3	26.0	-4.2	-20.7	Enel
	Caustic soda	(,000 t)	76.9	79.6	83.0	-2.7	-3.4	Enel
	Slaked lime	(,000 t)	3.8	5.0	15.3	-1.2	-24.0	Enel
	Sulfuric/chloride acid	(,000 t)	7.5	9.2	11.6	-1.7	-18.5	Enel
	Other	(,000 t)	17.6	46.0	52.3	-28.4	-61.7	Enel
	Total	(,000 t)	**205.8**	**455.6**	**764.3**	-249.8	-54.8	Enel
301-2	**Percentage of materials used that derive from recycled material compared to total consumption of each resource**							
	Lubricant oil	(%)	3.8	14.9	4.0	-11.1	-	Enel
	Dielectric oil	(%)	28.6	63.5	56.9	-34.9	-	Enel
	Ferric chloride	(%)	-	-	3.9	-	-	Enel
	Paper for printing	(%)	76.0	75.0	0.4	1.0	-	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Water							
	Volumes of water used by production process							
	By thermoelectric production	(Mm^3)	49.1	74.9	94.5	-25.8	-34.4	Enel
	By nuclear production	(Mm^3)	1.7	1.9	1.7	-0.2	-10.5	Enel
	By other industrial uses	(Mm^3)	0.7	0.5	0.1	0.2	42.9	Enel
	Total water withdrawal	(Mm^3)	**51.5**	**77.3**	**96.3**	-25.8	-33.4	Enel
	Water requirements by production process [9]	(l/kWh_{eq})	**0.20**	**0.33**	**0.38**	-0.13	-39.4	Enel
303-3	**Water withdrawal by source** [10]							
	Withdrawal from scarce source:	(Mm^3)	**36.9**	**63.7**	**84.4**	-26.8	-42.1	Enel
	Surface water (wetlands, lakes, rivers) total	(Mm^3)	**22.3**	**44.3**	**64.2**	-22.0	-49.7	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	22.0	44.2	-	-22.2	-50.3	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	0.3	-	-	0.3	-	Enel
	Ground water (from wells) total	(Mm^3)	**9.0**	**11.9**	**12.2**	-2.9	-24.3	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	9.0	11.9	-	-2.9	-24.4	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	-	-	-	-	-	Enel
	Water from aqueduct total	(Mm^3)	**5.7**	**7.5**	**8.0**	-1.8	-23.8	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	4.8	7.0	-	-2.2	-31.4	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	0.9	0.5	-	0.4	80.0	Enel
	Withdrawal from non scarce source:	(Mm^3)	**14.6**	**13.6**	**11.9**	1.0	7.0	Enel
	Sea water (used as is and dissalated)	(Mm^3)	**14.5**	6.4	7.4	8.1	-	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	-	3.6	-	-3.6	-100.0	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	14.5	2.8	-	11.7	-	Enel
	from produced water (amount used inside plants)	(Mm^3)	0.1	7.2	4.5	-7.1	-99.3	Enel
	Total	(Mm^3)	**51.5**	**77.3**	**96.3**	-25.8	-33.4	Enel
	Percentage of recycled and reused water	(%)	**9.7**	**9.3**	**4.7**	0.4	4.1	Enel
	Water used for once through cooling system							
	Total	(Mm^3)	**14.402,6**	**17,876.3**	**17,062.2**	-3,472.5	-19.4	Enel
	from surface water	(Mm^3)	5,281.3	7,395.1	-	-2,113.8	-28.6	Enel
	from sea water	(Mm^3)	9.121,3	10,481.2	-	-1,358.7	-13.0	Enel
	Total withdrawals	(Mm^3)	14,455.3	17,953.6	17,158.5	-3,498.3	-19.5	Enel
303-3	**Water withdrawal by source in "water stressed" areas** [11]							
	Withdrawal from scarce source:	(Mm^3)	**11.0**	**18.1**	**-**	-7.1	-39.2	Enel
	Surface water (wetlands, lakes, rivers) total	(Mm^3)	**5.4**	**10.2**	**-**	-4.8	-46.9	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	5.4	10.2	**-**	-4.8	-46.9	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	-	-	**-**	-	**-**	Enel
	Ground water (from wells) total	(Mm^3)	**4.9**	**5.9**	**-**	-1.1	-18.2	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	4.9	5.9	**-**	-1.0	-17.8	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	-	-	**-**	-	-	Enel
	Water from aqueduct total	(Mm^3)	**0.8**	**2.0**	**-**	-1.2	-62.5	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	0.5	2.0	**-**	-1.5	-75.0	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	0.3	-	**-**	0.3	**-**	Enel
	Withdrawal from non scarce source	(Mm^3)	**0.8**	**1.5**	**-**	-0.7	-45.7	Enel
	Sea water (used as is and dissalated)	(Mm^3)	**0.8**	**1.2**	**-**	-0.4	-33.3	Enel
	- freshwater (≤ 1,000 mg/l Total Dissolved Solids)	(Mm^3)	-	-	**-**	-	**-**	Enel
	- other water (> 1,000 mg/l Total Dissolved Solids)	(Mm^3)	0.8	1.2	**-**	-0.4	-33.3	Enel
	from produced water (amount used inside plants)	(Mm^3)	-	0.3	**-**	-0.3	-95.4	Enel
	Total	(Mm^3)	**11.8**	**19.6**	**-**	-7.8	-39.7	Enel
303-4	**WATER DISCHARGE**							
	Water discharge by destination	(Mm^3)	**14,433.7**	**17,895.5**	**17,109.8**	-3,461.8	-19.3	Enel
	Surface water (wetlands, lakes, rivers)	(Mm^3)	5,275.1	7,388.6	-	-2,113.5	-28.6	Enel
	Groundwater	(Mm^3)	1.1	-	-	1.1	-	Enel
	Water in municipal/industrial treatment plants	(Mm^3)	8.6	12.5	-	-3.9	-31.5	Enel
	Third party water	(Mm^3)	89.0	12.10	-	76.9	-	Enel
	Seawater	(Mm^3)	9,059.90	10,482.30	-	-1,422.4	-13.6	Enel
303-5	**Water Consuptions**	(Mm^3)	**20.4**	**58.1**	**48.7**	-37.7	-64.9	Enel
306-3	**WASTE PRODUCED** [12]							
	Non-hazardous waste	(t)	1,129,544	5,644,685	8,846,150	-4,515,141	-80.0	Enel
	Hazardous waste	(t)	51,816	50,332	150,673	1,484	2.9	Enel
	Total waste produced	(t)	**1,181,360**	**5,695,017**	**8,996,823**	-4,513,657	-79.3	Enel
	of which: ash and gypsum		801,726	5,035,698	-	-4,233,972	-84.1	Enel
	of which: oils	(t)	8,904	12,696	-	-3,792	-29.9	Enel
	of which: costruction and demolition waste	(t)	117,889	209,799	-	-91,910	-43.8	Enel
	Total waste sent for recovery	(%)	**65.7**	**24.0**	**22.9**	41.7	-	Enel
	Hazardous waste by disposal method							
	Recycled or sent for recovery	(t)	25,183	28,324	15,413	-3,141	-11.1	Enel
	Landfill	(t)	9,348	11,366	135,260	-2,018	-17.8	Enel
	Incineration and other disposal methods	(t)	17,285	10,642	-	6,643	62.4	Enel
	Total	(t)	**51,816**	**50,332**	**150,673**	1,484	2.9	Enel
	Non-hazardous waste by disposal method							
	Recovery (including energy recovery)	(t)	750,946	1,336,684	2,047,476	-585,738	-43.8	Enel
	Landfill	(t)	336,499	4,027,118	6,798,674	-3,690,619	-91.6	Enel
	Incineration and other disposal methods	(t)	42,099	280,883	-	-238,784	-85.0	Enel
	Total	(t)	**1,129,544**	**5,644,685**	**8,846,150**	-4,515,140	-80.0	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Mitigation of the impact on the landscape/territory[13]							
	LV/MV cabling ratio	(%)	60.4	60.1	60.0	0.3	-	Enel
	LV cabling ratio	(%)	82.4	82.2	82.0	0.2	-	Enel
	MV cabling ratio	(%)	29.4	29.1	28.5	0.3	-	Enel

(1) The resulting value is the product of the generation of electricity obtained from a renewable or nuclear source and the specific CO_2 emissions from the thermoelectric generation of the country in which Enel is present (source: Enerdata, http://enerdata.net).

(2) This quota includes directed CO_2 emissions of auxiliary motors - energy production and emissions of N_2O, CH_4, NF_3, SF_6 and refrigerant gases expressed in CO_2 equivalent.

(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}).

(4) "Scope 2" Emissions from energy taken from the grid: indirect CO_2 emissions relating to 2020 due to the consumption of electricity for moving fuel, electricity distribution, property management and electricity purchased from the grid by thermal and hydroelectric plants are calculated as the product of the electricity consumption multiplied by the respective weighted specific CO_2 emission coefficients of the whole generation mix of the countries where the Enel Group operates (source: Enerdata - https://www.enerdata.net/). 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. This figure is obtained by multiplying a company's electricity consumption (expressed in kWh) within the borders of the country in question and the average CO_2 emissions per kWh at the specific country level. 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).

(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 were calculated based on the part of energy that exceeds the share produced in the country in question, so as to avoid any double counting of emissions already included in Scope 1. An additional division was made for the fraction distributed and sold by Enel in the retail market – a share for which transmission losses were also calculated – and for the share distributed on behalf of other market companies. Since 2020, this category includes the indirect emissions deriving from technical losses from Enel's distribution grid, calculated according to the market-based methodology for 2020-2018.

(6) "Scope 3": Indirect CO_2 emissions for the freighting of coal by sea is estimated on the basis of the actual routes taken by the ships. This value was also calculated for 2019. 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. Indirect CO_2 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 CO_2 for each liter of diesel consumed. The figure is a rough estimate of the fugitive methane emissions (CH_4) from coal imported and used by the Enel Group for thermoelectric generation. The figure does not take into account emissions due to the transportation of lignite. In terms of the use of the product sold 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 CO_2, N_2O and CH_4); to calculate emissions from the use 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 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.

(7) Mercury emissions in 2020 amounted to 53 kg, associated with thermoelectric generation for Italy, Spain, Russia 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 336 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) The figure for 2019 has been recalculated with methodology in line with 2020.

(9) The extraction that contributes to specific water extraction is 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.

(10) Following the adoption of standard GRI 303, since 2019 the figures relating to the withdrawal classes by water source are divided into fresh water (= <1,000 mg/l total dissolved solids) and other water (>1,000 mg/l total dissolved solids). This division is not available for 2018.

(11) 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%). 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".

(12) The values of non-hazardous waste for 2019 have been reclassified according to a different calculation methodology. With regard to waste production, the table below shows the 2019 figures by significant geographical area only.

KPI	UM	2020	Scope
Hazardous waste by significant geographical area			
Italy	(t)	28,116	Italy
Iberia	(t)	11,116	Iberia
South America	(t)	**7,218**	Latin America
Chile	(t)	408	Chile
Argentina	(t)	1,307	Argentina
Colombia	(t)	878	Colombia
Peru	(t)	741	Peru
Brazil	(t)	3,884	Brazil
Europe	(t)	**5,225**	Europe
Russia	(t)	2,660	Russia
Romania	(t)	2,550	Romania
Greece	(t)	14	Greece
Bulgaria	(t)	1	Bulgaria
Non-hazardous waste by significant geographical area			
Italy	(t)	627,886	Italy
Iberia	(t)	203,922	Iberia
South America	(t)	**279,854**	Latin America
Chile	(t)	138,464	Chile
Argentina	(t)	11,119	Argentina
Colombia	(t)	6,668	Colombia
Peru	(t)	33,016	Peru
Brazil	(t)	90,588	Brazil
Europe	(t)	**15,567**	Europe
Russia	(t)	11,121	Russia
Romania	(t)	4,440.0	Romania
Greece	(t)	2	Greece
Bulgaria	(t)	3	Bulgaria

(13) 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.

ELECTRIFICATION, DIGITAL AND PLATFORMS

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
EU3	**CUSTOMERS**							
102-6	**Electricity market (Final number of customers)**							
	Customers Italy	(no.)	**22,612,004**	**23,689,113**	**25,152,279**	-1,077,109	-4.5	Italy
	Free market	(no.)	**9,478,660**	**9,243,826**	**8,563,028**	234,834	2.5	Italy
	- business to consumer customers	(no.)	7,619,859	7,437,948	6,806,450	181,911	2.4	Italy
	- business to business customers	(no.)	1,836,442	1,780,278	1,722,745	56,164	3.2	Italy
	- customers in protected categories	(no.)	22,359	25,600	33,833	-3,241	-12.7	Italy
	Regulated market	(no.)	**13,133,344**	**14,445,287**	**16,589,251**	-1,311,943	-9.1	Italy
	Customers Iberia	(no.)	**10,420,495**	**10,634,958**	**10,753,670**	-214,463	-2.0	Iberia
	Free market	(no.)	5,654,659	5,786,083	5,678,750	-131,424	-2.3	Iberia
	Regulated market	(no.)	4,765,836	4,848,875	5,074,920	-83,039	-1.7	Iberia
	Customers Latin America [1]	(no.)	**27,642,485**	**27,218,027**	**26,460,146**	424,458	1.6	Latin America
	Free market	(no.)	5,047	4,100	844	947	23.1	Latin America
	Regulated market	(no.)	27,637,438	27,213,927	26,459,302	423,511	1.6	Latin America
	Customers Latin America - Argentina	(no.)	**2,507,652**	**2,490,449**	**2,529,953**	17,203	0.7	Argentina
	Free market	(no.)	-	-	-	-	-	Argentina
	Regulated market	(no.)	2,507,652	2,490,449	2,529,953	17,203	0.7	Argentina
	Customers Latin America - Brazil	(no.)	**18,063,146**	**17,786,844**	**17,143,979**	276,302	1.6	Brazil
	Free market	(no.)	1,488	720	-	-	-	Brazil
	Regulated market	(no.)	18,061,658	17,786,124	17,143,979	275,534	1.5	Brazil
	Customers Latin America - Chile	(no.)	**2,008,812**	**1,973,612**	**1,924,986**	35,200	1.8	Chile
	Free market	(no.)	1,567	1,394	465	-	-	Chile
	Regulated market	(no.)	2,007,245	1,972,218	1,924,521	35,027	1.8	Chile
	Customers Latin America - Colombia	(no.)	**3,611,245**	**3,532,166**	**3,438,620**	79,079	2.2	Colombia
	Free market	(no.)	1,295	1,266	-	-	-	Colombia
	Regulated market	(no.)	3,609,950	3,530,900	3,438,620	79,050	2.2	Colombia
	Customers Latin America - Peru	(no.)	**1,451,630**	**1,434,956**	**1,422,608**	16,674	1.2	Peru
	Free market	(no.)	697	720	379	-23	-3.2	Peru
	Regulated market [1]	(no.)	1,450,933	1,434,236	1,422,229	16,697	1.2	Peru
	Customers Romania	(no.)	**3,049,476**	**3,072,945**	**3,016,509**	-23,469	-0.8	Romania
	Free market	(no.)	2,233,037	2,122,646	1,734,123	110,391	5.2	Romania
	Regulated market	(no.)	816,439	950,299	1,282,386	-133,860	-14.1	Romania
	Total Customers Enel	(no.)	**63,724,460**	**64,615,043**	**65,382,604**	-890,583	-1.4	Enel
	Free market	(no.)	17,371,403	17,156,655	15,976,745	214,748	1.3	Enel
	Regulated market	(no.)	46,353,057	47,458,388	49,405,859	-1,105,331	-2.3	Enel
	Gas market (Final number of customers)							
	Customers Italy	(no.)	4,060,646	4,155,689	4,088,716	-95,043	-2.3	Italy
	Customers Iberia	(no.)	1,673,424	1,648,705	1,603,721	24,719	1.5	Iberia
	Customers Romania	(no.)	59,379	52,142	42,702	7,237	13.9	Romania
	Customers Chile	(no.)	8	8	-	-	-	Chile
	Customers Colombia	(no.)	15	25	-	-10	-40.0	Colombia
	Total customers gas market	(no.)	**5,793,472**	**5,856,569**	**5,735,139**	-63,097	-1.1	Enel
	Total customers Enel electricity and gas	(no.)	**69,517,932**	**70,471,612**	**71,117,743**	-953,680	-1.4	Enel
	PUBLIC LIGHTING							
	Customers public lighting	(no.)	**3,006**	**3,071**	**3,194**	-65	-2.1	Italy
	Light sources public lighting	(,000)	**2,724**	**2,424**	**2,467**	300	12.4	Italy
	ENERGY AVAILABILITY AND REALIABILITY							
EU11	**Efficiency thermoelectric generation** [2]							
	Average thermoelectric generation yield without heat component	(%)	44.2	42.0	40.1	2.2	-	Enel
	Average thermoelectric generation yield with heat	(%)	45.4	43.1	41.1	2.3	-	Enel
	Average yield by technology without heat component							
	Yield coal plants	(%)	35.2	36.1	36.2	-0.9	-	Enel
	Yield oil/gas plants	(%)	36.3	36.4	36.7	-0.1	-	Enel
	Yield CCGT plants	(%)	53.5	53.0	53.1	0.5	-	Enel
	Average yield with heat component by technology							
	Yield coal plants	(%)	35.2	36.3	36.4	-1.1	-	Enel
	Yield oil/gas plants	(%)	40.3	40.8	40.6	-0.5	-	Enel
	Yield CCGT plants	(%)	53.7	53.1	53.3	0.6	-	Enel
EU30	**Availability of thermoelectric generation by geographic area**							
	Average availability thermoelectric generation Italy	(%)	84.4	86.9	86.7	-2.5	-	Italy
	Average availability thermoelectric generation Russia	(%)	85.8	86.0	86.7	-0.2	-	Russia
	Average availability thermoelectric generation Iberia	(%)	86.3	91.4	93.0	-5.1	-	Iberia
	Average availability thermoelectric generation Chile	(%)	95.4	92.3	91.5	3.1	-	Chile
	Average availability thermoelectric generation Argentina	(%)	86.1	84.1	74.6	2.0	-	Argentina
	Average availability thermoelectric generation Brazil	(%)	99.2	95.3	100.0	3.9	-	Brazil
	Average availability thermoelectric generation Peru	(%)	90.8	88.7	88.6	2.1	-	Peru
	Average availability thermoelectric generation Colombia	(%)	81.7	80.6	84.6	1.1	-	Colombia
EU28	**Service interruptions - frequency (SAIFI)** [3]							
	Frequency of interruptions by customer Italy	(no.)	1.7	1.9	1.8	-0.2	-10.5	Italy
	Frequency of interruptions by customer Romania	(no.)	3.4	4.1	3.8	-0.7	-17.1	Romania
	Frequency of interruptions by customer Iberia	(no.)	1.4	1.4	1.6	-	-	Iberia
	Frequency of interruptions by customer Peru	(no.)	2.6	2.8	2.8	-0.2	-7.1	Peru
	Frequency of interruptions by customer Chile	(no.)	1.5	1.6	1.5	-0.1	-6.3	Chile
	Frequency of interruptions by customer Argentina	(no.)	4.5	6.0	6.7	-1.5	-25.0	Argentina
	Frequency of interruptions by customer Brazil (Ampla)	(no.)	6.1	8.0	7.7	-1.9	-23.8	Brazil
	Frequency of interruptions by customer Brazil (Coelce)	(no.)	6.0	5.4	4.4	0.6	11.1	Brazil

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Frequency of interruptions by customer Brazil (CELG)	(no.)	8.5	9.7	12.3	-1.2	-12.4	Brazil
	Frequency of interruptions by customer Brazil (ELPL)	(no.)	3.6	3.5	4.3	0.1	2.9	Brazil
	Frequency of interruptions by customer Colombia	(no.)	5.6	6.8	9.0	-1.2	-17.6	Colombia
EU29	**Service interruptions - duration (SAIDI) [3]**							
	Service continuity index Italy	(min)	42	49	47	-7	-14.3	Italy
	Service continuity index Romania	(min)	135	170	174	-35	-20.6	Romania
	Service continuity index Iberia	(min)	75	76	80	-1	-1.3	Iberia
	Service continuity index Peru	(min)	419	419	436	-	-	Peru
	Service continuity index Chile	(min)	171	184	178	-13	-7.1	Chile
	Service continuity index Argentina	(min)	839	1,214	1,485	-375	-30.9	Argentina
	Service continuity index Brazil (Ampla)	(min)	631	793	833	-162	-20.4	Brazil
	Service continuity index Brazil (Coelce)	(min)	953	832	522	121	14.5	Brazil
	Service continuity index Brazil (CELG)	(min)	953	1,349	1,538	-396	-29.4	Brazil
	Service continuity index Brazil (ELPL)	(min)	443	375	429	68	18.1	Brazil
	Service continuity index Brazil Colombia	(min)	467	667	710	-200	-30.0	Colombia
EU12	**Grid losses [3]**							
	Grid losses Italy	(%)	4.9	4.7	4.7	0.2	-	Italy
	Grid losses Romania	(%)	9.2	9.7	9.8	-0.5	-	Romania
	Grid losses Iberia	(%)	7.1	7.5	7.5	-0.4	-	Iberia
	Grid losses Peru	(%)	8.8	8.2	7.9	0.6	-	Peru
	Grid losses Chile	(%)	5.2	5.0	5.0	0.2	-	Chile
	Grid losses Argentina	(%)	19.0	15.5	14.9	3.5	-	Argentina
	Grid losses Brazil (Ampla)	(%)	22.1	22.5	21.0	-0.4	-	Brazil
	Grid losses Brazil (Coelce)	(%)	15.9	14.0	13.9	1.9	-	Brazil
	Grid losses Brazil (CELG)	(%)	11.4	12.3	11.6	-0.9	-	Brazil
	Grid losses Brazil (ELPL)	(%)	10.6	9.6	9.5	1.0	-	Brazil
	Grid losses Colombia	(%)	7.6	7.7	7.7	-0.1	-	Colombia
	SERVICE QUALITY							
	ELECTRICITY MARKET ITALY							
102-43; 102-44	**Customer satisfaction**							
	Regulated market							
	Customer Satisfaction Index [4]	(i)	93.8	92.4	92.4	1.4	1.5	Italy
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(,000)	88.3	109.4	108.5	-21.1	-19.3	Italy
	Response time to written complaints	(dd)	25.0	31.1	20.9	-6.1	-19.6	Italy
	Free market							
	Customer Satisfaction Index [4]	(i)	91.9	90.2	90.2	1.7	1.9	Italy
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(,000)	113.0	92.3	70.2	20.7	22.4	Italy
	Response time to written complaints	(dd)	14.0	31.3	14.3	-17.3	-55.3	Italy

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	ELECTRICITY MARKET ROMANIA							
	Customer satisfaction							
	Regulated market							
	Customer Satisfaction Index [5]	(i)	8.4	89.0	86.0	-	-	Romania
	Written complaints and information requests	(,000)	-	100.0	80.0	-100.0	-100.0	Romania
	Response time to written complaints	(dd)	30.0	62.0	15.0	-32.0	-51.6	Romania
	Free market							
	Customer Satisfaction Index [5]	(i)	8.2	85.0	87.0	-	-	Romania
	Written complaints and information requests	(,000)	355.0	284.0	117.0	71.0	25.0	Romania
	Response time to written complaints	(dd)	30.0	83.0	16.0	-53.0	-63.9	Romania
	ELECTRICITY MARKET IBERIA							
	Customer satisfaction							
	Regulated market (ex TUR market)							
	Customer Satisfaction Index [6]	(i)	7.7	7.2	7.2	0.5	7.1	Iberia
	Written complaints and information requests	(,000)	8.2	6.4	8.3	1.8	28.1	Iberia
	Response time to written complaints	(dd)	6.0	6.8	9.1	-0.8	-11.8	Iberia
	Free market (ex TUR market)							
	Customer Satisfaction Index [6]	(i)	7.3	7.3	7.2	-	-	Iberia
	Written complaints and information requests	(,000)	4.6	12.5	12.9	-7.9	-63.5	Iberia
	Response time to written complaints	(dd)	7.5	18.1	21.1	-10.6	-58.6	Iberia
	GAS MARKET ITALY							
	Customer satisfaction Gas							
	Written complaints and information requests	(,000)	40.8	49.7	39.5	-8.9	-17.9	Italy
	Response time to written complaints	(dd)	15.0	36.8	14.9	-21.8	-59.2	Italy
	GAS MARKET IBERIA							
	Customer satisfaction Gas							
	Written complaints and information requests	(,000)	2.3	3.0	2.9	-0.7	-22.0	Iberia
	Response time to written complaints	(dd)	7.5	18.4	22.3	-10.9	-59.2	Iberia
	GAS MARKET ROMANIA							
	Customer satisfaction Gas							
	Written complaints and information requests	(,000)	9.5	17.0	9.0	-7.5	-44.1	Romania
	Response time to written complaints	(dd)	18.0	97.0	17.0	-79.0	-81.4	Romania
EU27	**ACCESSIBILITY OF ENERGY**							
	Customers disconnected for non-payment Italyn market							
	by time from disconnection to payment - Italy (Regulated market)	(no.)	**201,288**	-	-	-	-	Italy
	< 48 h	(no.)	109,170	-	-	-	-	Italy
	48 h - 1 week	(no.)	46,652	-	-	-	-	Italy
	1 week - 1 month	(no.)	45,123	-	-	-	-	Italy
	1 month - 1 year	(no.)	343	-	-	-	-	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy
	by time from payment to reconnection - Italy (Regulated market)	(no.)	**201,288**	-	-	-	-	Italy
	< 24 h	(no.)	185,090	-	-	-	-	Italy
	24 h - 1 week	(no.)	15,799	-	-	-	-	Italy

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	> 1 week	(no.)	399	-	-	-	-	Italy
	by time from disconnection to payment - Italy (Free market)	(no.)	**381,435**	-	-	-	-	Italy
	< 48 h	(no.)	203,228	-	-	-	-	Italy
	48 h - 1 week	(no.)	74,688	-	-	-	-	Italy
	1 week - 1 month	(no.)	95,630	-	-	-	-	Italy
	1 month - 1 year	(no.)	7,889	-	-	-	-	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy
	by time from payment to reconnection - Italy (Free market)	(no.)	**381,435**	-	-	-	-	Italy
	< 24 h	(no.)	379,565	-	-	-	-	Italy
	24 h - 1 week	(no.)	1,855	-	-	-	-	Italy
	> 1 week	(no.)	15	-	-	-	-	Italy
	by time from disconnection to payment - Italy (Gas market)	(no.)	**59,923**	-	-	-	-	Italy
	< 48 h	(no.)	14,140	-	-	-	-	Italy
	48 h - 1 week	(no.)	20,840	-	-	-	-	Italy
	1 week - 1 month	(no.)	21,579	-	-	-	-	Italy
	1 month - 1 year	(no.)	3,364	-	-	-	-	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy
	by time from payment to reconnection - Italy (Gas market)	(no.)	**59,923**	-	-	-	-	Italy
	< 24 h	(no.)	56,425	-	-	-	-	Italy
	24 h - 1 week	(no.)	3,471	-	-	-	-	Italy
	> 1 week	(no.)	27	-	-	-	-	Italy
	Regulated market - Romania							
	by time from disconnection to payment - Romania (Regulated market)	(no.)	**4,280**	-	-	-	-	Romania
	< 48 h	(no.)	1,338	-	-	-	-	Romania
	48 h - 1 week	(no.)	321	-	-	-	-	Romania
	1 week - 1 month	(no.)	345	-	-	-	-	Romania
	1 month - 1 year	(no.)	1,032	-	-	-	-	Romania
	> 1 year	(no.)	1,244	-	-	-	-	Romania
	by time from payment to reconnection - Romania (Regulated market)	(no.)	**3,036**	-	-	-	-	Romania
	< 24 h	(no.)	2,286	-	-	-	-	Romania
	24 h - 1 week	(no.)	685	-	-	-	-	Romania
	> 1 week	(no.)	65	-	-	-	-	Romania
	Free market - Romania							
	by time from disconnection to payment - Romania (Free market)	(no.)	**4,218**	-	-	-	-	Romania
	< 48 h	(no.)	2,337	-	-	-	-	Romania
	48 h - 1 week	(no.)	373	-	-	-	-	Romania
	1 week - 1 month	(no.)	379	-	-	-	-	Romania
	1 month - 1 year	(no.)	645	-	-	-	-	Romania
	> 1 year	(no.)	484	-	-	-	-	Romania
	by time from payment to reconnection - Romania (Free market)	(no.)	**3,734**	-	-	-	-	Romania
	< 24 h	(no.)	3,058	-	-	-	-	Romania
	24 h - 1 week	(no.)	636	-	-	-	-	Romania
	> 1 week	(no.)	40	-	-	-	-	Romania

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Regulated market - Iberia							
	by time from disconnection to payment - Iberia (Regulated market)	(no.)	**10,411**	-	-	-	-	Iberia
	< 48 h	(no.)	8,231	-	-	-	-	Iberia
	48 h - 1 week	(no.)	1,294	-	-	-	-	Iberia
	1 week - 1 month	(no.)	814	-	-	-	-	Iberia
	1 month - 1 year	(no.)	72	-	-	-	-	Iberia
	> 1 year	(no.)	-	-	-	-	-	Iberia
	by time from payment to reconnection - Iberia (Regulated market)	(no.)	**10,811**	-	-	-	-	Iberia
	< 24 h	(no.)	10,304	-	-	-	-	Iberia
	24 h - 1 week	(no.)	307	-	-	-	-	Iberia
	> 1 week	(no.)	200	-	-	-	-	Iberia
	Free market - Iberia							
	by time from disconnection to payment - Iberia (Free market)	(no.)	**12,536**	-	-	-	-	Iberia
	< 48 h	(no.)	10,290	-	-	-	-	Iberia
	48 h - 1 week	(no.)	1,443	-	-	-	-	Iberia
	1 week - 1 month	(no.)	731	-	-	-	-	Iberia
	1 month - 1 year	(no.)	72	-	-	-	-	Iberia
	> 1 year	(no.)	-	-	-	-	-	Iberia
	by time from payment to reconnection - Iberia (Free market)	(no.)	**12,345**	-	-	-	-	Iberia
	< 24 h	(no.)	12,000	-	-	-	-	Iberia
	24 h - 1 week	(no.)	318	-	-	-	-	Iberia
	> 1 week	(no.)	27	-	-	-	-	Iberia
	by time from disconnection to payment - Iberia (Gas market)	(no.)	**1,348**	-	-	-	-	Iberia
	< 48 h	(no.)	762	-	-	-	-	Iberia
	48 h - 1 week	(no.)	267	-	-	-	-	Iberia
	1 week - 1 month	(no.)	192	-	-	-	-	Iberia
	1 month - 1 year	(no.)	127	-	-	-	-	Iberia
	> 1 year	(no.)	-	-	-	-	-	Iberia
	by time from payment to reconnection - Iberia (Gas market)	(no.)	**1,273**	-	-	-	-	Iberia
	< 24 h	(no.)	236	-	-	-	-	Iberia
	24 h - 1 week	(no.)	767	-	-	-	-	Iberia
	> 1 week	(no.)	270	-	-	-	-	Iberia
	Regulated market - Latin America							
	by time from disconnection to payment - Latin America (Regulated market)	(no.)	**716,328**	-	-	-	-	Latin America
	< 48 h	(no.)	332,424	-	-	-	-	Latin America
	48 h - 1 week	(no.)	80,888	-	-	-	-	Latin America
	1 week - 1 month	(no.)	118,244	-	-	-	-	Latin America
	1 month - 1 year	(no.)	184,769	-	-	-	-	Latin America
	> 1 year	(no.)	3	-	-	-	-	Latin America
	by time from payment to reconnection - Latin America (Regulated market)	(no.)	**811,756**	-	-	-	-	Latin America
	< 24 h	(no.)	788,338	-	-	-	-	Latin America
	24 h - 1 week	(no.)	19,607	-	-	-	-	Latin America
	> 1 week	(no.)	3,811	-	-	-	-	Latin America

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Free market – Latin America							
	by time from disconnection to payment – Latin America (Free market)	(no.)	**8**	–	–	–	–	Latin America
	< 48 h	(no.)	7	–	–	–	–	Latin America
	48 h - 1 week	(no.)	1	–	–	–	–	Latin America
	1 week - 1 month	(no.)	–	–	–	–	–	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.)	**7**	–	–	–	–	Latin America
	< 24 h	(no.)	4	–	–	–	–	Latin America
	24 h - 1 week	(no.)	2	–	–	–	–	Latin America
	> 1 week	(no.)	1	–	–	–	–	Latin America
	Disputes with customers							
	Total proceedings	(no.)	112,938	121,175	101,057	-8,237	-6.8	Enel
		(%)	62.7	77.9	66.5	-15	–	Enel

(1) The 2019 figures include a more specific determination thereof.

(2) 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.

(3) Some 2019 figures have been updated.

(4) The value is calculated on a 1-100 scale-basis.

(5) In 2020, the value calculation has changed: from a 100 point scale to a 10 point scale.

(6) Iberia includes the mass market public segment and large companies in the calculation of customer satisfaction.

OUR PEOPLE

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	SIZE AND COMPOSITION OF WORKFORCE							
	Size of workforce							
102-7	**Total workforce**	(no.)	**66,717**	**68,253**	**69,272**	-1,536	-2.3	Enel
	Average workforce	(no.)	67,078	68,303	66,696	-1,225	-1.8	Enel
	Change to size [1]							
401-1	**New recruits**	(no.)	3,131	3,726	3,414	-595	-16.0	Enel
	Changes in scope	(no.)	-971	75	7,704	-1,046	–	Enel
	Terminations	(no.)	3,696	4,820	4,746	-1,124	-23.3	Enel
	Balance	(no.)	-1,536	-1,019	6,372	-517	50.7	Enel
102-8	**Workforce by geographic area and gender**							
	Italy [2]	(no.)	**29,800**	**29,767**	**30,311**	33	0.1	Italy
	- of whom men	(no.)	23,971	24,059	24,562	-88	-0.4	Italy
	- of whom women	(no.)	5,829	5,708	5,749	121	2.1	Italy
	Iberia [3]	(no.)	**9,781**	**10,123**	**9,947**	-342	-3.4	Iberia
	- of whom men	(no.)	7,381	7,704	7,626	-323	-4.2	Iberia
	- of whom women	(no.)	2,400	2,419	2,321	-19	-0.8	Iberia
	Europe [4]	(no.)	**4,966**	**5,907**	**5,683**	-941	-15.9	Europe
	- of whom men	(no.)	3,473	4,233	4,092	-760	-18.0	Europe
	- of whom women	(no.)	1,493	1,674	1,591	-181	-10.8	Europe
	North America [5]	(no.)	**1,639**	**1,639**	**2,007**	–	–	North America
	- of whom men	(no.)	1,179	1,210	1,454	-31	-2.6	North America
	- of whom women	(no.)	460	429	553	31	7.2	North America
	Latin America	(no.)	**19,838**	**20,240**	**21,083**	-402	-2.0	Latin America
	- of whom men	(no.)	15,852	16,322	17,085	-470	-2.9	Latin America
	- of whom women	(no.)	3,986	3,918	3,998	68	1.7	Latin America
	Africa, Asia and Oceania [6]	(no.)	**693**	**577**	**241**	116	20.1	Africa, Asia and Oceania
	- of whom men	(no.)	490	405	153	85	21.0	Africa, Asia and Oceania
	- of whom women	(no.)	203	172	88	31	18.0	Africa, Asia and Oceania
	Total workforce	(no.)	**66,717**	**68,253**	**69,272**	-1,536	-2.3	Enel
	- of whom men	(no.)	52,346	53,933	54,972	-1,587	-2.9	Enel
	- of whom women	(no.)	14,371	14,320	14,300	51	0.4	Enel
	Incidence of managers by geographical area							
	Italy [2]	(no.)	**29,800**	**29,767**	**30,311**	33	0.1	Italy
		(%)	44.7	43.6	43.8	1.1	–	Italy

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	(%) of total number of managers of the Group	(%)	58.3	58.0	57.0	0.3	-	Italy
	(%) of total number of no-managers of the Group	(%)	44.4	43.3	43.5	1.1	-	Italy
	Iberia [3]	(no.)	**9,781**	**10,123**	**9,947**	-342	-3.4	Iberia
		(%)	14.7	14.8	14.4	-0.2	-	Iberia
	(%) of total number of managers of the Group	(%)	21.3	21.6	22.5	-0.4	-	Iberia
	(%) of total number of no-managers of the Group	(%)	14.5	11.1	10.8	3.4	-	Iberia
	Romania	(no.)	**3,248**	**3,246**	**3,047**	2	0.1	Romania
		(%)	4.9	4.8	4.4	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	(%)	4.9	4.8	4.5	0.1	-	Romania
	Russia	(no.)	**1,472**	**2,447**	**2,528**	-975	-39.8	Russia
		(%)	2.2	3.7	3.8	-1.5	-	Russia
	(%) of total number of managers of the Group	(%)	1.6	1.7	1.6	-0.1	-	Russia
	(%) of total number of no-managers of the Group	(%)	2.2	3.6	3.7	-1.4	-	Russia
	Brazil	(no.)	**10,040**	**10,544**	**11,267**	-504	-4.8	Brazil
		(%)	15.0	15.8	16.9	-0.8	-	Brazil
	(%) of total number of managers of the Group	(%)	4.2	4.2	4.0	0.0	-	Brazil
	(%) of total number of no-managers of the Group	(%)	15.3	15.7	16.5	-0.4	-	Brazil
	Argentina	(no.)	**4,048**	**4,082**	**4,349**	-34	-0.8	Argentina
		(%)	6.1	6.1	6.5	-0.1	-	Argentina
	(%) of total number of managers of the Group	(%)	1.7	1.5	1.4	0.3	-	Argentina
	(%) of total number of no-managers of the Group	(%)	6.2	6.1	6.4	0.1	-	Argentina
	Chile	(no.)	**2,281**	**2,217**	**2,137**	64	2.9	Chile
		(%)	3.4	3.3	3.2	0.1	-	Chile
	(%) of total number of managers of the Group	(%)	4.4	4.2	4.3	0.2	-	Chile
	(%) of total number of no-managers of the Group	(%)	3.4	3.2	3.1	0.2	-	Chile
	Peru	(no.)	**954**	**935**	**932**	19	2.0	Peru
		(%)	1.4	1.4	1.4	-	-	Peru
	(%) of total number of managers of the Group	(%)	1.9	2.1	2.5	-0.2	-	Peru
	(%) of total number of no-managers of the Group	(%)	1.4	1.4	1.3	-	-	Peru
	Colombia	(no.)	**2,191**	**2,136**	**2,168**	55	2.6	Colombia
		(%)	3.3	3.2	3.2	0.1	-	Colombia
	(%) of total number of managers of the Group	(%)	2.6	2.7	2.5	-0.1	-	Colombia
	(%) of total number of no-managers of the Group	(%)	3.3	3.1	3.1	0.2	-	Colombia
	United States	(no.)	**1,287**	**1,289**	**1,719**	-2	-0.2	United States
		(%)	1.9	1.9	2.6	-	-	United States
	(%) of total number of managers of the Group	(%)	1.2	0.9	1.7	0.3	-	United States
	(%) of total number of no-managers of the Group	(%)	1.9	1.9	2.5	-	-	United States
405-1	**Workforce by level and gender**							
	Managers	(no.)	**1,397**	**1,363**	**1,346**	34	2.5	Enel
	- of whom men	(no.)	1,095	1,078	1,081	17	1.5	Enel
		(%)	78.4	79.1	80.3	-0.7	-	Enel
	- of whom women	(no.)	302	285	265	17	6.1	Enel
		(%)	21.6	20.9	19.7	0.7	-	Enel
	Middle Managers	(no.)	**11,592**	**11,329**	**10,985**	263	2.3	Enel
	- of whom men	(no.)	8,069	8,012	7,856	57	0.7	Enel
		(%)	69.6	70.7	71.5	-1.1	-	Enel
	- of whom women	(no.)	3,523	3,317	3,129	206	6.2	Enel
		(%)	30.4	29.3	28.5	1.1	-	Enel
	White-collar workers	(no.)	**35,883**	**36,274**	**34,710**	-391	-1.1	Enel
	- of whom men	(no.)	25,706	26,025	24,404	-319	-1.2	Enel
		(%)	71.6	71.7	70.3	-0.1	-	Enel
	- of whom women	(no.)	10,177	10,249	10,306	-72	-0.7	Enel
		(%)	28.4	28.3	29.7	0.1	-	Enel
	Blue-collar workers	(no.)	**17,845**	**19,287**	**22,231**	-1,442	-7.5	Enel
	- of whom men	(no.)	17,476	18,818	21,631	-1,342	-7.1	Enel
		(%)	97.9	97.6	97.3	0.4	-	Enel
	- of whom women	(no.)	369	469	600	-100	-21.3	Enel
		(%)	2.1	2.4	2.7	-0.4	-	Enel
	Total	(no.)	**66,717**	**68,253**	**69,272**	-1,536	-2.3	Enel
	Index of professional qualification							
	Managers	(%)	2.1	2.0	1.9	0.1	-	Enel
	Middle Managers	(%)	17.4	16.6	15.9	0.8	-	Enel
	White-collar workers	(%)	53.8	53.1	50.1	0.6	-	Enel
	Blue-collar workers	(%)	26.7	28.3	32.1	-1.5	-	Enel
405-1	**Workforce by age range and level**							
	< 30	(%)	**10.9**	**11.6**	**11.8**	-0.6	-	Enel
	- of whom Managers	(%)	-	-	-	-	-	Enel
	- of whom Middle Managers	(%)	0.4	0.3	0.3	0.1	-	Enel
	- of whom White-collar workers	(%)	5.2	5.3	4.9	-0.1	-	Enel
	- of whom Blue-collar workers	(%)	5.3	5.9	6.6	-0.6	-	Enel
	30 - 50	(%)	**54.5**	**54.7**	**57.0**	-0.2	-	Enel
	- of whom Managers	(%)	1.0	0.9	1.1	0.1	-	Enel
	- of whom Middle Managers	(%)	10.7	10.4	10.4	0.3	-	Enel
	- of whom White-collar workers	(%)	27.7	27.4	27.1	0.3	-	Enel
	- of whom Blue-collar workers	(%)	15.1	15.9	18.4	-0.8	-	Enel
	> 50	(%)	**34.6**	**33.8**	**31.2**	0.8	-	Enel
	- of whom Managers	(%)	1.1	1.0	0.9	0.1	-	Enel
	- of whom Middle Managers	(%)	6.3	5.9	5.1	0.3	-	Enel
	- of whom White-collar workers	(%)	20.9	20.4	18.1	0.5	-	Enel
	- of whom Blue-collar workers	(%)	6.3	6.4	7.1	-0.1	-	Enel
	Average age	(years)	44.1	43.8	43.3	-	-	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
102-8	**Workforce by type of contract and gender**							
	Permanent contract	(no.)	**65,822**	**64,976**	**68,137**	846	1.3	Enel
	- of whom men	(no.)	51,783	51,482	54,112	301	0.6	Enel
	- of whom women	(no.)	14,039	13,494	14,025	545	4.0	Enel
	Fixed-term contracts [7]	(no.)	**895**	**3,277**	**1,135**	-2,382	-72.7	Enel
	- of whom men	(no.)	563	2,451	860	-1,888	-77.0	Enel
	- of whom women	(no.)	332	826	275	-494	-59.8	Enel
	Total contracts	(no.)	**66,717**	**68,253**	**69,272**	-1,536	-2.3	Enel
	- of whom men	(no.)	52,346	53,933	54,972	-1,587	-2.9	Enel
	- of whom women	(no.)	14,371	14,320	12,930	51	-	Enel
	Fixed-term and insertion/work contracts as percentage of total	(%)	**1.3**	**4.8**	**1.6**	-3.5	-	Enel
	Internship and traineeships	(no.)	**358**	**882**	**1,136**	-524	-59.4	Enel
102-8	**Workforce by type of contract and geographic area**							
	Italy [2]	(no.)	**29,800**	**29,767**	**30,311**	33	0.1	Italy
	Permanent contract	(no.)	29,783	29,743	30,271	40	0.1	Italy
	Fixed-term contracts	(no.)	17	24	40	-7	-29.2	Italy
	Iberia	(no.)	**9,781**	**10,123**	**9,947**	-342	-3.4	Iberia
	Permanent contract	(no.)	9,531	9,733	9,610	-202	-2.1	Iberia
	Fixed-term contracts	(no.)	250	390	337	-140	-35.9	Iberia
	Latin America	(no.)	**19,838**	**20,240**	**21,083**	-402	-2.0	Latin America
	Permanent contract	(no.)	19,374	17,544	20,437	1,830	10.4	Latin America
	Fixed-term contracts [7]	(no.)	464	2,696	646	-2,232	-82.8	Latin America
	Europe	(no.)	**4,966**	**5,907**	**5,683**	-941	-15.9	Europe
	Permanent contract	(no.)	4,817	5,750	5,648	-933	-16.2	Europe
	Fixed-term contracts	(no.)	149	157	35	-8	-5.1	Europe
	North America	(no.)	**1,639**	**1,639**	**2,007**	-	-	North America
	Permanent contract	(no.)	1,627	1,639	1,932	-12	-0.7	North America
	Fixed-term contracts	(no.)	12	-	75	12	-	North America
	Africa, Asia and Oceania	(no.)	**693**	**577**	**241**	116	20.1	Africa, Asia and Oceania
	Permanent contract	(no.)	690	569	239	121	21.3	Africa, Asia and Oceania
	Fixed-term contracts	(no.)	3	8	2	-5	-62.5	Africa, Asia and Oceania
102-8	**Workforce by type of contract and gender**							
	Full-time contracts	(no.)	**66,074**	**67,514**	**68,390**	-1,440	-2.1	Enel
	- of whom men	(no.)	52,208	53,770	54,748	-1,562	-2.9	Enel
	- of whom women	(no.)	13,866	13,744	13,642	122	0.9	Enel
	Part-time contracts	(no.)	**643**	**739**	**882**	-96	-13.0	Enel
	- of whom men	(no.)	138	164	224	-26	-15.9	Enel
	- of whom women	(no.)	505	575	658	-70	-12.2	Enel
	Part Time + Full Time	(no.)	**66,717**	**68,253**	**69,272**	-1,536	-2.3	Enel
	Percentage of part-time	(%)	1.0	1.2	1.3	-0.2	-	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
401-1	**CHANGES TO SIZE**							
	New hires							
	New hires by gender	(no.)	**3,131**	**3,726**	**3,414**	-595	-16.0	Enel
	Hiring rate [8]	(%)	4.7	5.5	4.9	-0.8	-	Enel
	-men	(no.)	2,203	2,702	2,410	-499	-18.5	Enel
		(%)	70.4	72.5	70.6	-2.2	-	Enel
	-women	(no.)	928	1,024	1,004	-96	-9.4	Enel
		(%)	29.6	27.4	29.4	2.2	-	Enel
	New hires by age range	(no.)	**3,131**	**3,726**	**3,414**	-595	-16.0	Enel
	up to 30	(no.)	1,363	1,865	1,622	-502	-26.9	Enel
		(%)	43.5	50.1	47.5	-6.5	-	Enel
	from 30 to 50	(no.)	1,700	1,698	1,628	2	0.1	Enel
		(%)	54.3	45.6	47.7	8.7	-	Enel
	over 50	(no.)	68	163	164	-95	-58.3	Enel
		(%)	2.2	4.4	4.8	-2.2	-	Enel
	New hires by geographic area							
	Italy [2]	(no.)	**1,044**	**1,058**	**796**	-14	-1.3	Italy
		(%)	33.3	28.4	23.3	4.9	-	Italy
	Iberia	(no.)	**257**	**430**	**425**	-173	-40.2	Iberia
		(%)	8.2	11.5	12.4	-3.3	-	Iberia
	Europe [4]	(no.)	**280**	**512**	**345**	-232	-45.3	Europe
		(%)	8.9	13.7	10.1	-4.8	-	Europe
	North America	(no.)	**362**	**435**	**594**	-73	-16.8	North America
		(%)	11.6	11.7	17.4	-0.1	-	North America
	Latin America	(no.)	**991**	**1,098**	**1,182**	-107	-9.7	Latin America
		(%)	31.7	29.5	34.6	2.2	7.4	Latin America
	Africa, Asia and Oceania	(no.)	**197**	**193**	**72**	4	2.1	Africa, Asia and Oceania
		(%)	6.3	5.2	2.1	1.1	-	Africa, Asia and Oceania
	Effect of the changes in scope	(no.)	-971	75	7,704	-1,046	-	Enel
	Terminations							
	Causes							
	Voluntary terminations	(no.)	717	1,095	1,451	-378	-34.5	Enel
	Incentive based terminations	(no.)	817	2,304	2,543	-1,487	-64.5	Enel
	Retirements and other	(no.)	2,162	1,421	752	741	52.1	Enel
	Total terminations	(no.)	**3,696**	**4,820**	**4,746**	-1,124	-23.3	Enel
	Terminations by gender							
	-men	(no.)	3,002	3,766	3,845	-764	-20.3	Enel
		(%)	81.2	78.1	81.0	3.1	-	Enel
	-women	(no.)	694	1,054	900	-360	-34.2	Enel
		(%)	18.8	21.9	19.0	-3.1	-	Enel
	Terminations by age range	(no.)	**3,696**	**4,820**	**4,746**	-1,124	-23.3	Enel
	up to 30	(no.)	547	626	499	-79	-12.6	Enel
		(%)	14.8	13.0	10.5	1.8	-	Enel
	from 30 to 50	(no.)	1,273	1,867	1,532	-594	-31.8	Enel
		(%)	34.4	38.7	32.3	-4.3	-	Enel
	over 50	(no.)	1,876	2,327	2,715	-451	-19.4	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
		(%)	50.8	48.3	57.2	2.5	-	Enel
	Terminations by nationality							
	Italy [2]	(no.)	**1,011**	**1,622**	**1,668**	-611	-37.7	Italy
		(%)	27.4	33.3	35.1	-6.0	-	Italy
	Iberia	(no.)	**599**	**254**	**425**	345	-	Iberia
		(%)	16.2	5.3	9.0	10.9	-	Iberia
	Europe [3]	(no.)	**299**	**354**	**384**	-55	-15.5	Europe
		(%)	8.1	7.7	8.1	0.4	-	Europe
	North America	(no.)	**313**	**392**	**374**	-79	-20.2	North America
		(%)	8.5	8.1	7.9	0.3		North and -Central America
	Latin America	(no.)	**1,393**	**2,103**	**1,862**	-710	-33.8	Latin America
		(%)	37.7	43.6	39.2	-5.9	-	Latin America
	Africa, Asia and Oceania	(no.)	**81**	**95**	**33**	-14	-14.7	Africa, Asia and Oceania
		(no.)	2.2	2.0	0.7	0.2	-	Africa, Asia and Oceania
	Turnover rate [9]	(%)	**5.6**	**7.1**	**6.9**	-1.5	-	Enel
	Turnover rate by gender							
	- men	(%)	5.7	-	-	5.7	-	Enel
	- women	(%)	4.8	-	-	4.8	-	Enel
	Turnover rate by age range							
	up to 30	(%)	7.5	-	-	7.5	-	Enel
	from 30 to 50	(%)	3.5	-	-	3.5	-	Enel
	over 50	(%)	8.1	-	-	8.1	-	Enel
	VALORIZATION							
404-3	**Assessment** [10]							
	Dissemination of assessment	(%)	**93.8**	**93.3**	**94.8**	0.5	-	Enel
	-men	(%)	94.0	93.5	95.5	0.5	-	Enel
	-women	(%)	93.0	92.7	92.2	0.3	-	Enel
	People assessed by level							
	Managers	(%)	97.8	96.7	95.9	1.1	-	Enel
	Middle Managers	(%)	93.7	92.5	91.2	1.2	-	Enel
	White collar	(%)	93.4	94.7	94.3	-1.3	-	Enel
	Blue collar	(%)	94.4	90.9	94.8	3.5	-	Enel
	Rewarding							
	Dissemination of incentives	(%)	**43,7**	**41.6**	**36.1**	2.0	-	Enel
	Employees with individual incentives	(no.)	29.149	28,367	24,976	19,277	68.0	Enel
	- of whom Managers	(no.)	1.367	1,312	1,336	1,038	79.1	Enel
	- of whom Middle Managers	(no.)	7.293	7,183	6,608	3,728	51.9	Enel
	- of whom White collar workers and Blue collar workers	(no.)	20.489	19,872	17,032	14,511	73.0	Enel
404-1	**Training**							
	Training hours by employees	(h/per-cap)	**40.9**	**38.8**	**40.2**	2.1	5.5	Enel
	by gender							
	-men	(h/per-cap)	40.4	39.7	41.2	0.7	1.6	Enel
	-women	(h/per-cap)	42.7	35.0	36.2	7.7	22.0	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	by level							
	Managers	(h/per-cap)	31.9	58.4	40.3	-26.5	-45.4	Enel
	Middle Managers	(h/per-cap)	41.4	44.9	42.2	-3.5	-7.9	Enel
	White collar	(h/per-cap)	35.7	29.6	33.5	6.1	20.7	Enel
	Blue collar	(h/per-cap)	51.4	49.6	50.1	1.8	3.5	Enel
	Total training hours (distance learning + classroom)	(,000 h)	**2,744**	**2,648**	**2,684**	96	3.6	Enel
	Training hours distance learning	(,000 h)	448	248	212	200	80.4	Enel
	- for managerial training	(,000 h)	94	122	105	-28	-22.8	Enel
	- for specialist training	(,000 h)	354	127	107	227	-	Enel
	Training hours in the classroom	(,000 h)	2,296	2,370	2,472	-74	-3.1	Enel
	- for managerial training	(,000 h)	170	719	636	-549	-76.3	Enel
	- for specialist training	(,000 h)	2,126	1,651	1,836	475	28.8	Enel
	Training hours job shadowing (on site coaching)	(,000 h)	6,680	20,992	0.8	-14,312	-	Enel
	Incidence of distance learning training	(%)	**16.3**	**9.4**	**7.9**	6.9	-	Enel
	Total training hours by level	(,000 h)	**2,744**	**2,648**	**2,684**	96	3.6	Enel
	Managers	(,000 h)	45	81	54	-36	-44.3	Enel
	Middle Managers	(,000 h)	466	495	448	-29	-5.9	Enel
	White collar	(,000 h)	1,287	1,037	1,137	250	24.1	Enel
	Blue collar	(,000 h)	946	1,035	1,045	-89	-8.6	Enel
	Dissemination of sustainability							
	Training per capita on sustainability	(h/per-cap)	21.7	16.5	15.5	5.2	31.6	Enel
	Total training hours on sustainability	(,000 h)	1,457	1,126	1,010	331	29.4	Enel
	Digitalization	(,000 h)	342	305	213	37	12.0	Enel
	Environment	(,000 h)	48	33	32	15	46.5	Enel
	Safety	(,000 h)	979	683	726	296	43.3	Enel
	Human rights	(,000 h)	5	13	4	-8	-61.2	Enel
	Other [11]	(,000 h)	61	73	16	-12	-16.8	Enel
	Code of Ethics	(,000 h)	22	19	19	3	15.0	Enel
205-2	**Training on anti-corruption policies and procedures communication**	(no.)	26,660	19,798	n.a.	6,862.0	34.7	Enel
		(%)	40.0	29.0	n.a.	11.0	-	Enel
	Training on anti-corruption policies and procedures communication by geographic area							
	Italy	(no.)	14,224	10,519	n.a.	3,705	35.2	Italy
		(%)	47.7	35.3	n.a.	12.4	-	Italy
	Iberia	(no.)	1,977	3,428	n.a.	-1,451	-42.3	Iberia
		(%)	20.2	33.9	n.a.	-13.6	-	Iberia
	Latin America	(no.)	5,326	3,655	n.a.	1,671	45.7	Latin America
		(%)	26.8	18.1	n.a.	8.8	-	Latin America
	Europe	(no.)	4,006	1,444	n.a.	2,562	-	Europe
		(%)	80.7	24.4	n.a.	56.2	-	Europe
	Asia and Oceania	(no.)	197	39	n.a.	158	-	Asia and Oceania
		(%)	28.4	6.8	n.a.	21.7	-	Asia and Oceania

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	North and Central America	(no.)	930	713	n.a.	217	30.4	North and Central America
		(%)	56.7	43.5	n.a.	13.2	–	North and Central America
	Training on anti-corruption policies and procedures communication by level							
	Manager	(no.)	407	393	n.a.	14.0	3.6	Enel
		(%)	29.1	28.8	n.a.	0.3	–	Enel
	Middle Manager	(no.)	3,967	3,560	n.a.	407.0	11.4	Enel
		(%)	34.2	31.4	n.a.	2.8	–	Enel
	White collar	(no.)	14,856	10,409	n.a.	4447.0	42.7	Enel
		(%)	41.4	28.7	n.a.	12.7	–	Enel
	Blue collar	(no.)	7,430	5,436	n.a.	1,994	36.7	Enel
		(%)	41.6	28.2	n.a.	13.5	–	Enel
201-3	**CORPORATE WELFARE**							
	Employees covered by pension plan (benefit plan)	(no.)	53,715	47,688	47,100	6,027	12.6	Enel
	Employees covered by pension plan (benefit plan)	(%)	80.5	69.9	68.0	10.6	–	Enel
EU15	**Employees entitled to retire in next 5 to 10 years**							
	Pension within 5 years - Enel							
	Managers	(%)	3.6	6.5	4.6	-2.9	–	Enel
	Middle Managers	(%)	4.9	6.4	4.3	-1.5	–	Enel
	White collar	(%)	6.6	9.1	6.3	-2.5	–	Enel
	Blue collar	(%)	4.4	6.0	4.8	-1.6	–	Enel
	Average	(%)	5.6	7.7	5.4	-2.1	–	Enel
	Pension within 10 years - Enel							
	Managers	(%)	17.7	19.4	14.4	-1.7	–	Enel
	Middle Managers	(%)	17.0	18.7	14.0	-1.7	–	Enel
	White collar	(%)	21.7	23.6	18.8	-1.9	–	Enel
	Blue collar	(%)	11.0	15.5	14.8	-4.5	–	Enel
	Average	(%)	17.9	20.4	15.7	-2.5	–	Enel
401-3	**MATERNITY/PATERNITY-PARENTAL LEAVE**							
	Employees entitled to parental leave by gender	(no.)	**2,734**	n.a.	n.a.	–	–	Enel
	Men	(no.)	1,741	n.a.	n.a.	–	–	Enel
	Women	(no.)	993	n.a.	n.a.	–	–	Enel
	Parental leave by gender	(no.)	**2,734**	**2,684**	**2,486**	50	1.9	Enel
	Men	(no.)	1,741	1,653	1,412	88	5.3	Enel
	Women	(no.)	993	1,001	1,074	-8	-0.8	Enel
	Return to work rate of employees that took parental leave by gender	(%)	**95.6**	n.a.	n.a.	–	–	Enel
	Men	(%)	96.1	n.a.	n.a.	–	–	Enel
	Women	(%)	94.7	n.a.	n.a.	–	–	Enel
	Ratention rate by gender [12]	(%)	**96.3**	n.a.	n.a.	–	–	Enel
	Men	(%)	97.2	n.a.	n.a.	–	–	Enel
	Women	(%)	97.7	n.a.	n.a.	–	–	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	EQUAL OPPORTUNITIES							
	Incidence of women managers and middle managers [13]	(%)	**29.4**	**28.4**	**27.5**	1.1	–	Enel
405-2	**Ratio of basic salary/remuneration Women/Men**							
	Ratio of basic salary Women/Men	(%)	**108.1**	**107.4**	**103.5**	0.7	–	Enel
	Managers	(%)	86.7	86.7	84.6	–	–	Enel
	Middle Managers	(%)	96.50	96.0	92.8	0.5	–	Enel
	White collar	(%)	90.2	90.0	87.5	0.2	–	Enel
	Blue collar	(%)	77.0	68.6	90.0	8.4	–	Enel
	Ratio of remuneration Women/Men	(%)	**108.3**	**107.6**	–	0.7	–	Enel
	Managers	(%)	83.3	83.2	–	0.1	–	Enel
	Middle Managers	(%)	95.7	95.2	–	0.5	–	Enel
	White collar	(%)	90.3	90.0	–	0.3	–	Enel
	Blue collar	(%)	77.8	70.1	–	7.7	–	Enel
405-1	**Disability**							
	Disabled or belonging to protected categories by gender	(no.)	**2,199**	**2,254**	**2,194**	-55	-2.4	Enel
	- of whom men	(no.)	1,532	1,565	1,494	-33	-2.1	Enel
	- of whom women	(no.)	667	689	700	-22	-3.2	Enel
	Incidence of disabled or belonging to protected categories by gender	(%)	**3.3**	**3.3**	**3.2**	–	–	Enel
	- of whom men	(%)	2.3	2.3	2.2	–	–	Enel
	- of whom women	(%)	1.0	1.0	1.0	–	–	Enel
	Disabled or belonging to protected categories by age range	(no.)	**2,199**	–	–	–	–	Enel
	up to 30	(no.)	49	–	–	–	–	Enel
	from 30 to 50	(no.)	933	–	–	–	–	Enel
	over 50	(no.)	1,217	–	–	–	–	Enel
	Incidence of disabled or belonging to protected categories by age range	(%)	**3.3**	–	–	–	–	Enel
	up to 30	(%)	0.1	–	–	–	–	Enel
	from 30 to 50	(%)	1.4	–	–	–	–	Enel
	over 50	(no.)	1.8	–	–	–	–	Enel
	Disabled or belonging to protected categories by level							
	Managers	(no.)	3	–	–	3	–	Enel
	Middle Managers	(no.)	157	140	100	17	12.1	Enel
	White collar	(no.)	1,880	1,941	1,913	-61	-3.1	Enel
	Blue collar	(no.)	159	172	181	-13	-7.6	Enel
	Incidence of disabled or belonging to protected categories by level							
	Managers	(%)	–	–	–	–	–	Enel
	Middle Managers	(%)	0.2	0.2	0.1	–	–	Enel
	White collar	(%)	2.8	2.8	2.8	–	–	Enel
	Blue collar	(%)	0.2	0.3	0.3	-0.1	-5.4	Enel
	Smartworking							
	Actual people in smartworking	(no.)	36,334	–	–	–	–	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	Potential people in smartworking	(no.)	37,305	n.a.	n.a.	–	–	Enel
	Incidence of Smartworking	(%)	97.4	n.a.	n.a.	–	–	Enel
102-41	**RELATIONS WITH UNIONS**							
	Union membership in the electricity sector [14]	(%)	**50.7**	**52.2**	**52.6**	-1.5	–	Enel
	Employees covered by collective agreements, by geographic area							
	Total Enel	(no.)	**60,571**	**62,252**	**63,410**	-1,681	-2.7	Enel
		(%)	90.8	91.1	91.5	-0.3	–	Enel
	Italy	(no.)	**29,710**	**29,741**	**30,296**	-31	-0.1	Italy
		(%)	99.7	99.9	100.0	-0.2	–	Italy
	Iberia	(no.)	**8,685**	**9,161**	**9,036**	-476	-5.2	Iberia
		(%)	88.8	90.5	90.8	-1.7	–	Iberia
	Europe	(no.)	**4,380**	**5,308**	**5,237**	-298	-17.5	Europe
		(%)	88.2	89.9	92.2	-1.7	–	Europe
	Latin America	(no.)	**17,771**	**17,980**	**18,817**	-209	-1.2	Latin America
		(%)	89.6	88.8	89.3	0.7	–	Latin America
	North America	(no.)	**25**	**24**	**24**	1	–	North America
		(%)	–	1.5	1.2	-1.5	–	North America
	Africa, Asia and Oceania	(no.)	–	**38**	**–**	-38	–	Africa, Asia and Oceania
		(%)	–	9.0	–	-9.0	–	Africa, Asia and Oceania
	Dispute with employees							
	Total proceedings [15]	(no.)	9,028	10,566	13,350	-1.538	-14.6	Enel
	Incidence of proceedings as defendant	(%)	98.9	86.2	98.7	12.7	–	Enel

(1) In 2020, there was a change in scope due to the sale of hydro plants in the United States, the sale of the Reftinskaya GRES plant in Russia and the acquisition of Viva Labs.

(2) Includes Branch Enel Produzione (Russia, Slovakia), Enelpower (Saudi Arabia), Branch Enel Trading (Algeria), Enel New Hydro and Dutch financial companies. For the 2019 data, a realignment was carried out due to a different classification between Italy and Europe.

(3) Includes International Endesa BV (IEBV).

(4) The following countries are considered within this scope: Romania, Russia, Bulgaria, Greece, Egypt, France, Germany, Turkey, Saudi Arabia, Slovakia, United Kingdom, Ireland, Norway, Poland and the Croatia Branch. For the 2019 data, a realignment was carried out due to a different classification between Italy and Europe.

(5) Of employees in North America, 1,067 EnerNOC employees were considered, 55% of whom are in North America, 45% in other countries (South America, Europe, Asia and Oceania), and 90 at eMotorWerks, of whom 83% are located in North America and 17% in other European countries.

(6) The following countries are considered within the scope: India, Kenya, South Africa, Zambia, Indonesia, Australia, Morocco, Singapore, Japan, Taiwan, New Zealand and Korea.

(7) The data also includes 14 de obra (temporary) work contracts for 2019 and 2018 in Latin America.

(8) Hiring rate = Total new recruits/Total workforce.

(9) Turnover rate = Total terminations/Total workforce.

(10) 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.

(11) Includes training relating to privacy, anti-bribery, community relations and diversity.

(12) Retention rate = loyalty index expressing the percentage of employees who remain in the organization over a given timeframe.

(13) Classification index = female managers + middle managers/total managers + middle managers.

(14) The 2019 and 2018 figures include a more specific determination of the amounts.

(15) The 2019 and 2020 figures only includes 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 2020	December 2019	December 2018	2020–2019	%	Scope
203-1	**INITIATIVES IN FAVOR OF THE COMMUNITY**							
	Contributions to communities - LBG method							
	Charitable donations	(mil euros)	32.7	4.6	5.7	28.1	–	Enel
	Investments in communities	(mil euros)	53.9	80.2	85.0	-26.3	-32.8	Enel
	Commercial initiatives with a social impact	(mil euros)	17.5	37.4	23.8	-19.9	-53.2	Enel
	Socially sustainable business initiatives	(mil euros)	–	–	–	–	–	Enel
	Total (expense + investments)	(mil euros)	**104.1**	**122.2**	**114.5**	-18.1	-14.8	Enel
	Enel Cuore Onlus							
	Solidarity projects supported by Enel Cuore	(no.)	**26**	**24**	**34**	2	8.3	Italy
	Sums provided to Enel Cuore Onlus by Enel Group companies	(mil euros)	**23.3**	**5.5**	**5.4**	17.8	–	Italy
	Subscription fees	(mil euros)	0.3	0.3	0.3	–	–	Italy
	Extraordinary contribution from associates	(mil euros)	–	5.0	5.0	-5.0	-100.0	Italy
	Tied donations	(mil euros)	23.0	0.2	0.1	22.8	–	Italy
EU25	**SAFETY FOR COMMUNITIES**							
	Third-party injuries							
	Severe and fatal third-party injuries	(no.)	**221**	**247**	**90**	-26	–	Enel
	- fatal	(no.)	89	120	59	-31	–	Enel
	- severe	(no.)	132	127	31	5	–	Enel
	Third-party injuries by type							
	Electricity injuries	(%)	89.6	89.9	80.0	-0.3	–	Enel
	Road accidents against Group infrastructure	(%)	6.3	6.5	16.7	-0.2	–	Enel
	Accidents for other reasons (slipping, falling from height, crash-crush-cut)	(%)	4.1	3.6	3.3	0.5	–	Enel
	Causes of electricity accident							
	Construction activities near power lines	(%)	55.6	62.6	52.8	-7.0	–	Enel
	Attempted theft	(%)	9.6	15.8	29.2	-6.2	–	Enel
	Other [1]	(%)	34.8	21.6	18.1	13.2	–	Enel

(1) Mainly due to accidental contact with metal wires, agricultural work and plant cutting activities, among other things.

INNOVATION

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
DMA EU	**RESEARCH AND INNOVATION**							
	Technological innovation [1]	(mil euros)	110.5	84.2	134.5	26.3	31.2	Enel
	Research personnel	(no.)	520.0	472.0	462.0	48.0	10.2	Enel
	End users (final)	(no.)	74,303,931	73,811,964	72,945,664	491,967	0.7	Enel
	Active clients with smart meters [2] [3]	(no.)	44,292,794	43,821,596	43.770,085	471,198	1.1	Enel
	Active clients with smart meters/End users (final)	(%)	60.0	59.4	60.0	0.6	-	Enel

(1) Around 25% of investment in Research and Innovation concerned the Global Power Generation Line, while 53% was for the Infrastructure and Networks Line.

(2) The calculation criteria have been updated excluding electronic meters with an non-commissioned active contract. The 2019 figure has been adjusted to standardize data comparability.

(3) 2020 share for smart meter 2.0, amounting to 18.2 million.

SUSTAINABLE SUPPLY CHAIN

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	NATURE OF SUPPLIERS							
	Number of suppliers with which a new contract was signed in the year	(no.)	**24,012**	**29,370**	**31,434**	-5,358	-18.2	Enel
102-8	**Workforce of contracting and subcontracting companies** [1]	(no.)	**157,940**	**153,116**	**133,384**	4,824	3.2	Enel
	Days worked by employees of contractors and subcontractors	(,000 d)	**34,747**	**33,686**	**29,344**	1,061	3.2	Enel
	Construction activity	(,000 d)	10,519	10,052	7,435	467	4.6	Enel
	Operating and maintenance activity	(,000 d)	24,228	23,633	21,909	594	2.5	Enel
	- of which operating activity	(,000 d)	7,268	7,090	6,573	178	2.5	Enel
	- of which maintenance activity	(,000 d)	16,959	16,543	15,337	416	2.5	Enel
204-1	**Local suppliers of materials and services** [2]	(%)						
	Local suppliers with contracts > 1 mil euros	(no.)	1,326	1,167	1,403	159	13.6	Enel
	Foreign suppliers with contracts > 1 mil euros	(no.)	182	157	197	25	15.9	Enel
	Spending on local suppliers with contracts > 1 mil euros	(mil euros)	10,130	9,169	11,173	961	10.5	Enel
	Spending on foreign suppliers with contracts > 1 mil euros	(mil euros)	1,657	1,130	1,912	527	-	Enel
	Concentration of spending on local suppliers	(%)	86	89	85	-3	-	Enel
	Concentration of spending on foreign suppliers	(%)	14	11	15	3	-	Enel
	Purchases and fuel							
	Purchases of materials and services	(mil euros)	**14,070**	**14,375**	**15,073**	-305	-2.1	Enel
	Supplies	(mil euros)	5,480	5,245	5,726	235	4.5	Enel
	Works	(mil euros)	3,625	3,702	3,656	-77	-2.1	Enel
	Services	(mil euros)	4,965	5,428	5,691	-463	-8.5	Enel
	Fuel purchases	(mil euros)	**2,489**	**3,912**	**4,628**	-1,423	-36.4	Enel
	Gas	(mil euros)	1,510	1,952	2,024	-442	-22.6	Enel
	Oil	(mil euros)	653	970	906	-317	-32.7	Enel
	Coal/Lignite	(mil euros)	321	976	1,698	-655	-67.1	Enel
	Biomass	(mil euros)	5	14	-	-9	-64.3	Enel
	Management instruments							
	Active qualified companies	(no.)	**16,124**	**8,198**	**6,300**	7,926	96.7	Enel
	Online tenders as percentage of all tenders [3]	(%)	**74.8**	**72.4**	**62.9**	2.4	-	Enel
	Online purchases as percentage of all purchases [3]	(%)	**67.5**	**56.8**	**71.1**	10.7	-	Enel
	Use of prescription	(%)	**19.1**	**18.1**	**15.4**	1.0	-	Enel
103-2	**Disputes involving suppliers**							
	Total proceedings	(no.)	**703**	**467**	**465**	236	50.5	Enel
	Incidence of proceedings as defendant	(%)	**69.3**	**80.7**	**77.8**	-11.4	-	Enel

(1) Calculated in FTE (Full Time Equivalent).

(2) "Local suppliers" are defined as suppliers with their registered office in the country where the supply contract was issued.

(3) The 2019 figures include a more specific determination thereof.

OCCUPATIONAL HEALTH AND SAFETY

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020–2019	%	Scope
	SAFETY							
	Lost Time Injuries Frequency Rate, LTIFR [1] Enel	(i)	**0.12**	**0.18**	**0.19**	-0.06	-33.3	Enel
	Lost Time Injuries Frequency Rate, LTIFR [1] Contractors	(i)	**0.10**	**0.13**	**0.17**	-0.03	-25.4	Enel
	Enel People							
403-9	**Number of fatalities and frequency rate [2]**							
	Number of fatalities	(no.)	**1**	**1**	**1**	-	-	Enel
	Fatalities by geographical area							
	Italy	(no.)	-	-	-	-	-	Italy
	Iberia	(no.)	-	1	-	-1	-	Iberia
	Latin America	(no.)	-	-	1	-	-	America Latina
	North America	(no.)	1	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Fatalities frequency rate	(i)	**0.008**	**0.008**	**0.009**	-	-	Enel
	Fatalities frequency rate by geographical area							
	Italy	(i)	-	-	-	-	-	Italy
	Iberia	(i)	-	0.059	-	-	-	Iberia
	Latin America	(i)	0.027	-	0.034	0.027	-	America Latina
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Number of "high-consequence" injuries [3] (excluding fatalities) and frequency rate [4]							
	Number of "high-consequence" injuries	(no.)	**3**	**3**	**4**	-	-	Enel
	Number of "high-consequence" injuries by geographical area							
	Italy	(no.)	1	2	2	-1	-50.0	Italy
	Iberia	(no.)	-	-	-	-	-	Iberia
	Latin America	(no.)	-	-	2	-	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	2	1	-	1	100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	"High-consequence" injuries frequency rate	(i)	**0.024**	**0.023**	**0.035**	0.001	4.3	Enel
	"High-consequence" injuries frequency rate by geographical area							
	Italy	(i)	0.018	0.037	0.037	-0.019	-51.4	Italy
	Iberia	(i)	-	-	-	-	-	Iberia
	Latin America	(i)	-	-	0.069	-	-	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.196	0.094	-	0.102	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Total number of injuries [5] and frequency rate [6]							
	Number of injuries	(no.)	**75**	**116**	**108**	-41	-35.3	Enel
	Injuries by geographical area							
	Italy	(no.)	42	59	60	-17	-28.8	Italy
	Iberia	(no.)	2	6	6	-4	-66.7	Iberia
	Latin America	(no.)	26	46	41	-20	-43.5	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe and Norh Africa	(no.)	5	5	1	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Injury frequency rate	(i)	**0.599**	**0.899**	**0.943**	-0.300	-33.4	Enel
	Frequency rate by geographical area							
	Italy	(i)	0.752	1.106	1.103	-0.354	-32.0	Italy
	Iberia	(i)	0.117	0.352	0.366	-0.235	-66.8	Iberia
	Latin America	(i)	0.688	1.049	1.408	-0.361	-34.4	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.491	0.472	0.098	0.019	4.0	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Worked hours	(no.)	**125,263,914**	**129,068,627**	**114,552,443**	-3,804,713	-2.9	Enel
403-9	**Contractors**							
	Number of fatalities and frequency rate [1]							
	Number of fatalities [7]	(no.)	**8**	**6**	**7**	2	33.3	Enel
	Fatalities by geographical area							
	Italy	(no.)	1	1	2	-	-	Italy
	Iberia	(no.)	1	-	-	-	-	Iberia
	North and Central America	(no.)	-	-	-	-	-	North and Central America

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Europe	(no.)	-	1	-	-1	-100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Latin America	(i)	6	4	5	2	50.0	Latin America
	Fatalities frequency rate	(i)	**0.029**	**0.022**	**0.030**	0.007	31.8	Enel
	Fatalities frequency rate by geographical area							
	Italy	(i)	0.022	0.024	0.049	-0.002	-8.3	Italy
	Iberia	(i)	0.027	-	-	0.027	-	Iberia
	Latin America	(i)	0.036	0.026	0.038	0.010	38.5	Latin America
	North and Central America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	0.061	-	-0.061	-100.0	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Number of "high-consequence" injuries [3] (excluding fatalities) and frequency rate [4]							
	Number of "high-consequence" injuries	(no.)	**20**	**16**	**13**	4	25.0	Enel
	Number of "high-consequence" injuries by geographical area							
	Italy	(no.)	3	5	2	-2	-40.0	Italy
	Iberia	(no.)	3	3	4	-	-	Iberia
	Latin America	(no.)	14	4	6	10	-	Latin America
	North America	(no.)	-	4	-	-4	-100.0	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	"High-consequence" injuries frequency rate	(i)	**0.072**	**0.059**	**0.051**	0.013	22.0	Enel
	"High-consequence" injuries frequency rate by geographical area							
	Italy	(i)	0.065	0.120	0.049	-0.055	-45.8	Italy
	Iberia	(i)	0.081	0.072	0.101	0.009	12.5	Iberia
	Latin America	(i)	0.083	0.026	0.045	0.057	-	Latin America
	North America	(i)	-	0.419	-	-0.419	-100.0	Nord America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Total number of injuries [5] and frequency rate [6]							
	Number of injuries [7]	(no.)	**135**	**176**	**205**	-41	-23.3	Enel
	Injuries by geographical area							
	Italy	(no.)	39	42	56	-3	-7.1	Italy
	Iberia	(no.)	18	32	34	-14	-43.8	Iberia
	Latin America	(no.)	77	90	111	-13	-14.4	Latin America
	North America	(no.)	1	7	1	-6	-85.7	North America
	Europe	(no.)	-	5	3	-5	-100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Injury frequency rate	(i)	**0.486**	**0.653**	**0.873**	-0.167	-25.6	Enel
	Frequency rate by geographical area							
	Italy	(i)	0.842	1.008	1.367	-0.166	-16.5	Italy
	Iberia	(i)	0.485	0.772	0.859	-0.287	-37.2	Iberia
	Latin America	(i)	0.457	0.574	0.839	-0.117	-20.4	Latin America
	North America	(i)	0.162	0.733	0.276	-0.571	-77.9	North America
	Europe	(i)	-	0.304	0.175	-0.304	-100.0	Europe and North Africa
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Hours worked	(no.)	277,975,917	269,484,178	234,755,218	8,491,739	3.2	Enel

(1) The Lost Time Injuries Frequency Rate (LTIFR) is calculated by proportioning the number of injuries with hours worked*200,000.

(2) This rate is calculated by proportioning the number of fatal accidents with hours worked/1,000,000.

(3) Sum of: injuries that, as of December 31, 2020 resulted in more than 6 months of absence from work; of those that remain open, injuries considered severe (initial prognosis > 30 days); injuries categorized as "Life Changing Accidents" (LCA), regardless of the number of days of absence from work related to them.

(4) This rate is calculated by proportioning the number of "High Consequence" accidents with hours worked/1,000,000.

(5) Includes all accident events (including those with 3 days of absence or fewer).

(6) This rate is calculated by proportioning the number of injuries with hours worked/1,000,000.

(7) Considering all areas where the Group operates and the activities managed, including companies consolidated using the equity method and companies for which the BSO (Build, Sell and Operate) mechanism has been applied, the total value of fatal accidents in 2018 is 8.

SOUND GOVERNANCE

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
102-5	**SHAREHOLDERS**							
	Composition of shareholdings							
	Investors [1]							
	Ministry of Economy and Finance	(%)	23.6	23.6	23.6	-	-	Enel SpA
	Institutional investors	(%)	62.3	60.3	57.6	2.0	-	Enel SpA
	Retail shareholders	(%)	14.1	16.1	18.8	-2.0	-	Enel SpA
	Location of institutional investors							
	Italy	(%)	6.7	5.8	6.8	0.9	-	Enel SpA
	UK	(%)	13.3	13.7	16.0	-0.4	-	Enel SpA
	Rest of Europe	(%)	27.2	26.2	28.9	1.0	-	Enel SpA
	North America	(%)	46.4	46.7	40.9	-0.3	-	Enel SpA
	Rest of the world	(%)	6.4	7.6	7.4	-1.2	-	Enel SpA
	Concentration index (top 50)	(%)	**42.3**	**39.4**	**37.6**	**2.9**	**-**	Enel SpA
	Investment style of institutional investors							
	Long Only	(%)	71.2	73.0	83.4	-1.8	-	Enel SpA
	Index	(%)	12.7	12.9	9.3	-0.2	-	Enel SpA
	Hedge	(%)	0.3	0.8	6.9	-0.5	-	Enel SpA
	Other	(%)	15.8	13.3	0.4	2.5	-	Enel SpA
	Socially Responsible Investors (SRI)							
	Presence of SRI	(no.)	**244**	**182**	**169**	**62**	**34.1**	Enel SpA
	Enel shares held by SRI funds	(mil.)	**1,482**	**1,095**	**1,064**	**387**	**35.3**	Enel SpA
	Weight of SRI funds in institutional shareholdings [2]	(%)	**23.4**	**20.1**	**20.6**	**3.3**	-	Enel SpA
	Location of SRI investors [3]							
	Italy	(%)	14.5	5.3	1.4	9.2	-	Enel SpA
	UK	(%)	11.7	11.4	13.2	0.3	-	Enel SpA
	Rest of Europe	(%)	40.9	42.3	51.0	-1.4	-	Enel SpA
	North America	(%)	26.6	36.7	32.8	-10.1	-	Enel SpA
	Rest of the world	(%)	6.2	4.3	1.6	1.9	-	Enel SpA
	Share price performance							
	Financial performance of the share [4]							
	ENEL	(%)	17.0	40.2	-1.7	-23.2	-	Enel SpA
	FTSEMib	(%)	-5.4	28.3	-16.1	-33.7	-	Enel SpA
	Endesa	(%)	-6.1	21.1	11.6	-27.2	-	Endesa
	Enel Americas (formerly Enersis)	(%)	-30.5	36.3	-10.6	-66.8	-	Enel Américas
	Enel Chile	(%)	-21.7	5.3	-8.0	-27.0	-	Enel Chile
	Enel Russia	(%)	-2.4	-9.1	-30.0	6.7	-	Enel Russia
	Ibex 35	(%)	-15.5	12.6	-15.4	-28.1	-	Enel SpA
	MICEX	(%)	8.0	29.3	11.8	-21.3	-	Enel SpA
	IPSA	(%)	-10.5	-8.5	-8.3	-2.0	-	Enel SpA

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Return for the shareholder							
	DPS (Dividend Per Share)	(cent euro)	0.36	0.33	0.28	0.03	9.1	Enel SpA
	TSR (Total Shareholder Return) from IPO (accumulated)	(%)	281.2	212.7	112.4	68.5	-	Enel SpA
	TSR from IPO (annualized)	(%)	6.5	5.8	4.0	0.7	-	Enel SpA
	TSR last 2 years (accumulated)	(%)	79.4	51.7	31.4	27.7	-	Enel SpA
	TSR last 2 years (annualized)	(%)	33.9	23.2	14.7	10.7	-	Enel SpA
	Communication to shareholders							
102-43	**Information requests from retail shareholders** [5]	(no.)	40	41	75	-1	-2.4	Enel SpA
	LENDERS							
	Debt							
	Total debt	(mil euros)	**45,415**	**45,175**	**41,089**	**240**	**0.5**	Enel
	Debt to Equity	(i)	**1.1**	**1.0**	**0.9**	**0.1**	**11.5**	Enel
	Rating							
	S&P	(i)	**BBB+**	**BBB+**	**BBB+**	-	-	Enel
	Outlook	(i)	Stable Outlook	Stable Outlook	Stable Outlook	-	-	Enel
	Moody's	(i)	**Baa2**	**Baa2**	**Baa2**	-	-	Enel
	Outlook	(i)	Positive	Positive	Stable Outlook	-	-	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.)	7	7	7	-	-	Enel SpA
	Women on BoD of the Group							
	Women on the BoD of Enel SpA	(no.)	4	3	3	1	33.3	Enel SpA
	Women on the BoD of Group companies	(no.)	208	181	215	27	14.9	Enel
	Members of the BoD by age group							
	Under 30 years old	(%)	-	-	-	-	-	Enel SpA
	30 - 50 years old	(%)	22	-	11	-	-	Enel SpA
	Over 50 years old	(%)	78	100	89	-22	-	Enel SpA
	BoD meetings	(no.)	**16**	**14**	**18**	2	14.3	Enel SpA
103-2	**Implementation of the Code of Ethics**							
	Reports received by type of stakeholder	(no.)	**151**	**166**	**144**	-15	-9.0	Enel
	Internal stakeholders	(no.)	25	30	25	-5	-16.7	Enel
	External stakeholders	(no.)	22	23	40	-1	-4.3	Enel
	Anonymous	(no.)	104	113	79	-9	-8.0	Enel
	Reports received for harmed or potentially harmed stakeholder	(no.)	**151**	**166**	**144**	-15	-9.0	Enel
	Shareholder	(no.)	55	66	67	-11	-16.7	Enel
	Customer	(no.)	3	7	12	-4	-57.1	Enel
	Employee	(no.)	64	69	45	-5	-7.2	Enel
	General public	(no.)	5	9	3	-4	-44.4	Enel
	Suppliers	(no.)	24	15	17	9	60.0	Enel
	Reports received by status	(no.)	**151**	**166**	**144**	-15	-9.0	Enel
	Reports being assessed	(no.)	4	-	-	4	-	Enel

GRI/ EUSS	KPI	UM	December 2020	December 2019	December 2018	2020-2019	%	Scope
	Reports for which a violation has not been confirmed	(no.)	121	128	113	-7	-5.5	Enel
	Reports for which a violation has been confirmed	(no.)	26	38	31	-12	-31.6	Enel
	Reports related to	(no.)	**151**	**166**	**144**	-15	-9.0	Enel
	Conflict of interests/Bribery/Corruption	(no.)	25	35	33	-10	-28.6	Enel
	Misappropriation	(no.)	29	34	42	-5	-14.7	Enel
	Work practices	(no.)	79	74	38	5	6.8	Enel
	Community and society	(no.)	4	3	-	1	33.3	Enel
	Other reasons	(no.)	14	20	31	-6	-30.0	Enel
	Violations confirmed by type of harmed stakeholder [7]	(no.)	**26**	**38**	**31**	-12	-31.6	Enel
	Shareholder	(no.)	17	20	19	-3	-15.0	Enel
	Customer	(no.)	-	1	-	-1	-100.0	Enel
	Employee	(no.)	5	10	8	-5	-50.0	Enel
	General public	(no.)	1	2	-	-1	-50.0	Enel
	Suppliers	(no.)	3	5	4	-2	-40.0	Enel
103-2; 406-1	**Violations related to incidents of** [7]	(no.)	**26**	**38**	**31**	-12	-31.6	Enel
205-3	Conflict of interests/Bribery/Corruption [8]	(no.)	2	10	10	-8	-80.0	Enel
	Misappropriation	(no.)	14	11	7	3	27.3	Enel
	Work practices	(no.)	9	11	8	-2	-18.2	Enel
	Community and society	(no.)	-	-	-	-	-	Enel
	Other reasons	(no.)	1	6	6	-5	-83.3	Enel
	Violations regarding incidents of conflict of interest/corruption, by country	(no.)	**2**	**8**	**10**	-6	-75.0	Enel
	Argentina	(no.)	-	-	1	-	-	Argentina
	Brazil	(no.)	2	2	1	-	-	Brazil
	Chile	(no.)	-	2	4	-2	-100.0	Chile
	Colombia	(no.)	-	1	1	-1	-100.0	Colombia
	Italy	(no.)	-	-	1	-	-	Italy
	Peru	(no.)	-	1	-	-1	-100.0	Peru
	Romania	(no.)	-	1	-	-	-	Romania
	Russia	(no.)	-	-	2	-	-	Russia
	Spain	(no.)	-	1	-	-	-	Spagna
	Actions taken in response to incidents of conflict of interest/corruption	(no.)	2	15	13	-13	-86.7	Enel
	- of which: actions taken against employees in response to cases of conflict of interest/corruption	(no.)	2	9	7	-7	-77.8	Enel
	- of which: actions taken against contractors in response to cases of conflict of interest/corruption	(no.)	-	6	6	-6	-100.0	Enel
412-3	**Significant investment agreements that include human rights clauses** [9]	(no.)	-	**4**	**9**	-4	-100.0	Enel
412-3	**Percentage of significant investment agreements that include human rights clauses**	(%)	-	**100**	**100**	-	-	Enel
	INSTITUTIONAL RELATIONS							
201-4	**Grants** [10]							
	Grants supplied in the period by geographic area [11]	(mil euros)	**6.7**	**11.2**	**83.2**	-4.5	-40.1	Enel
	Italy	(mil euros)	4.7	8.3	81.8	-3.6	-42.8	Italy
	Slovakia [11]	(mil euros)	-	-	-	-	-	Slovacchia
	Spain	(mil euros)	0.5	1.7	0.9	0.8	88.9	Spagna
	Brazil	(mil euros)	-	-	-	-	-	Brazil
	Colombia	(mil euros)	1.0	1.0	0.5	-	-3.4	Colombia
	Chile	(mil euros)	0.5	0.2	-	0.3	3.2	Chile
	Grants received by destination [11]	(%)						
	Energy networks	(%)	55.0	40.3	88.8	14.7	-	Enel
	R&D	(%)	29.6	56.2	1.3	-26.6	-	Enel
	Renewable	(%)	14.3	14.3	2.4	-	-	Enel
	Training	(%)	-	-	-	-	-	Enel
	Other	(no.)	1.1	-	7.6	1.1	-	Enel
	Number of projects which received grants		46	40	88	6	15.0	Enel
	Loans granted by the EIB and others							
	Remaining debt on loans from EIB and others by geographic area [12]	(mil euros)	**6,314**	**6,550**	**6,279**	-236	-3.6	Enel
	- Italy	(mil euros)	3,735	3,755	3,760	-20	-0.5	Italy
	- Abroad (Latin America, Spain, Slovakia, Russia, Romania)	(mil euros)	2,579	2,795	2,519	-216	-7.7	Enel
	Remaining debt on loans from EIB and others by destination [12]							
	Energy networks	(%)	62.9	61.4	66.9	1.5	-	Enel
	R&D	(%)	0.1	0.1	0.1	-	-	Enel
	Renewable	(%)	34.5	36.6	29.7	-2.1	-	Enel
	Training	(%)	-	-	-	-	-	Enel
	Other	(%)	2.6	1.9	3.2	0.7	-	Enel
	Number of projects in progress approved with loans from EIB and others	(no.)	138	162	171	-24	-14.8	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 (SRIs) with the number of shares held by identified institutional investors.

(3) SRIs 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, UKSIF, EUROSIF 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) In 2020, the analysis of reports received in 2019 was completed, hence the number of confirmed violations for 2019 was revised from 36 to 38. The two additional violations are to be ascribed to minor cases of private interest in Brazil.

(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) No agreement significant for this reporting was entered into in 2020.

(10) Non-repayable loans do not have a linear or foreseeable trend; while a significant grant was given in 2018, this did not occur in 2019 as only minor projects were set out.

(11) (The 2019 figures have been updated. Specifically, in Chile and Colombia, projects not previously considered in the scope of reference have been included. In terms of Italy, the decrease is due to an adjustment on several projects.

(12) The 2019 figures have been updated. Specifically, in Italy, a deviation occurred, which mainly includes adjustments and projects not mapped in a residual manner. Brazil shows a reduction due to the exchange rate applied.

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	201-2 Financial implications and other risks and opportunities due to climate change	25, 40-42, 55-62, 63-65, 65-74, 241-244			
	201-3 Defined benefit plan obligations and other retirement plans	Sustainability Statement sec. Our people			
	201-4 Financial assistance received from government	Sustainability Statement sec. Sound governance			
Procurement Practices					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321			
	103-2 The management approach and its components	184-193			
	103-3 Evaluation of the management approach	184-193			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability Statement sec. Sustainable supply chain			
Anti-corruption					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321			
	103-2 The management approach and its components	241-251, 262-264			
	103-3 Evaluation of the management approach	241-251, 262-264			
	205-2 Communication and training about anti-corruption policies and procedures	262-264			
	205-3 Confirmed incidents of corruption and actions taken	262-264 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	26-31, 315-321			
	103-2 The management approach and its components	262-264			
	103-3 Evaluation of the management approach	262-264			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	37 legal actions have been recorded in 2020 (16 in Italy, 6 in Iberia and 14 in Romania, 1 in Peru)			
Tax					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321			
	103-2 The management approach and its components	264-270			
	103-3 Evaluation of the management approach	264-270			
GRI 207: Tax 2019	207-1 Approach to tax	264-270			
	207-2 Tax governance, control, and risk management	264-270			
	207-3 Stakeholder engagement and management of concerns related to tax	264-270			
	207-4 Country-by-country reporting	270-282			

300 series (Environmental topics)		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	208-211
	103-3 Evaluation of the management approach	208-211
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainability Statement sec. Net Zero Ambition
	301-2 Recycled input materials used	Sustainability Statement sec. Net Zero Ambition
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	208-211, 215-216
	103-3 Evaluation of the management approach	208-211, 215-216
GRI 302: Energy 2016	302-1 Energy consumption within the organization	215-216
	302-3 Energy intensity	215-216
	302-4 Reduction of energy consumption	215-216
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	208-211, 216-220
	103-3 Evaluation of the management approach	208-211, 216-220
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	216-220
	303-2 Management of water discharge-related impacts	216-220
	303-3 Water withdrawal	10-11, 83, 216-220 Sustainability Statement sec. Net Zero Ambition
	303-4 Water discharge	216-220 Sustainability Statement sec. Net Zero Ambition
	303-5 Water consumption	10-11, Sustainability Statement sec. Net Zero Ambition
Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	208-211, 224-229
	103-3 Evaluation of the management approach	208-211, 224-229
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	224-229
	304-2 Significant impacts of activities, products, and services on biodiversity	224-229
	304-3 Habitats protected or restored	224-229
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	224-229
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	75-79, 208-211
	103-3 Evaluation of the management approach	75-79, 208-211
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	10-11, 75-79, 213, Sustainability statement sec. Net Zero Ambition
	305-2 Energy indirect (Scope 2) GHG emissions	75-79, Sustainability statement sec. Net Zero Ambition
	305-3 Other indirect (Scope 3) GHG emissions	75-79, Sustainability statement sec. Net Zero Ambition
	305-4 GHG emissions intensity	75-79, 213, Sustainability statement sec. Net Zero Ambition
	305-5 Reduction of GHG emissions	75-79, Sustainability statement sec. Net Zero Ambition
	305-6 Emissions of ozone-depleting substances (ODS)	75-79, Sustainability Statement sec. Net Zero Ambition
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	213-214 Sustainability Statement sec. Net Zero Ambition
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	208-211, 221-222
	103-3 Evaluation of the management approach	208-211, 221-222
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	221-222, Sustainability Statement sec. Net Zero Ambition
	306-2 Management of significant waste-related impacts	221-222 Sustainability Statement sec. Net Zero Ambition
	306-3 Waste generated	221-222 Sustainability Statement sec. Net Zero Ambition
	306-4 Waste diverted from disposal	221-222 Sustainability Statement sec. Net Zero Ambition
	306-5 Waste directed to disposal	221-222 Sustainability Statement sec. Net Zero Ambition

Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	208-211, 232
	103-3 Evaluation of the management approach	208-211, 232
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	232, Sustainability Statement sec. Net Zero Ambition
Supplier Environmental Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	184-193
	103-3 Evaluation of the management approach	184-193
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	187-188
400 series (Social topics)		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	106-108
	103-3 Evaluation of the management approach	106-108
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	10-11, 106-108; Sustainability Statement sec. Our people
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	117-118
Labor/Management Relations		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	106-108, 120-121
	103-3 Evaluation of the management approach	106-108, 120-121
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	120-121
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	196-205
	103-3 Evaluation of the management approach	196-205
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	196-205
	403-2 Hazard identification, risk assessment, and incident investigation	196-205
	403-3 Occupational health services	196-205
	403-4 Worker participation, consultation, and communication on occupational health and safety	196-205
	403-5 Worker training on occupational health and safety	196-205
	403-6 Promotion of worker health	196-205
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	196-205
	403-9 Work-related injuries	198-200; 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	26-31, 315-321
	103-2 The management approach and its components	106-108, 109-111
	103-3 Evaluation of the management approach	106-108, 109-111
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	109-111 Sustainability Statement sec. Our people
	404-2 Programs for upgrading employee skills and transition assistance programs	109-111
	404-3 Percentage of employees receiving regular performance and career development reviews	109-111 Sustainability Statement sec. Our people
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	106-108, 113-117, 238-241
	103-3 Evaluation of the management approach	106-108, 113-117, 238-241
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	106-108, 113-117, 238-241, Sustainability Statement, sec. Our people, Sound governance
	405-2 Ratio of basic salary and remuneration of women to men	113-117 Sustainability Statement sec. Our people
Non-discrimination		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	252-253, 255-261
	103-3 Evaluation of the management approach	252-253, 255-261

GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	252-253, 255-261; 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	26-31, 315-321
	103-2 The management approach and its components	184-193, 255-261
	103-3 Evaluation of the management approach	184-193, 255-261
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	184-193, 255-261
Child Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	184-193, 255-261
	103-3 Evaluation of the management approach	184-193, 255-261
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	184-193, 255-261
Forced or Compulsory Labor		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	184-193, 255-261
	103-3 Evaluation of the management approach	184-193, 255-261
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	184-193, 255-261
Security Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-31, 315-321
	103-2 The management approach and its components	255-261
	103-3 Evaluation of the management approach	255-261
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	260 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	26-31, 315-321
	103-2 The management approach and its components	124-128, 255-261
	103-3 Evaluation of the management approach	124-128, 255-261
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	26-31, 315-321
	103-2 The management approach and its components	252-253, 255-261
	103-3 Evaluation of the management approach	252-253, 255-261
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	252-253, 255-261
	412-2 Employee training on human rights policies or procedures	255, Sustainability Statement, sec. Our people Sound governance par. Human rights
	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	26-31, 315-321
	103-2 The management approach and its components	124-128, 255-261
	103-3 Evaluation of the management approach	124-128, 255-261
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	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 review in 2021 to include assessment of Global Infrastructure & Networks asset and value chain
	413-2 Operations with significant actual and potential negative impacts on local communities	124-128
Supplier Social Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	184-193, 255-261
	103-3 Evaluation of the management approach	184-193, 255-261
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	184-193
Public Policy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	262-264
	103-3 Evaluation of the management approach	262-264

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	26-31, 315-321
	103-2 The management approach and its components	196-198, 203
	103-3 Evaluation of the management approach	196-198, 203
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	203; 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 2.2.1 of the Human Rights Policy
Marketing and Labeling		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-31, 315-321
	103-2 The management approach and its components	95-96, 98-100
	103-3 Evaluation of the management approach	95-96, 98-100
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 2020 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	26-31, 315-321
	103-2 The management approach and its components	260-261
	103-3 Evaluation of the management approach	260-261
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	260-261

General standard disclosures for the electric utility sector	
General standard disclosures for the electric utility sector	**e number(s)/URL/Direct answer**
EU1	10-11, 81-82 Sustainability Statement, sec. At a glance
EU2	10-11, 81-82 Sustainability Statement, sec. At a glance
EU3	10-11, 81, 90 Sustainability Statement, sec. Electification, digital and platforms, Innovazione
EU4	10-11, 90 Sustainability Statement, sec. At a glance, Electification, digital and platforms Innovazione
Specific standard disclosures for the electric utility sector	
Category: economic	
DMA	MATERIAL ASPECT: DEMAND SIDE MANAGEMENT
	91-94, 101-103
	MATERIAL ASPECT: RESEARCH AND DEVELOPMENT
	146-147
	MATERIAL ASPECT: SYSTEM EFFICIENCY
EU11	81, Sustainability Statement, sec. Electification, digital and platforms
EU12	Sustainability Statement, sec. Electification, digital and platforms
Category: social	
Sub-category: labor practices and decent work	
Material aspect: employment	
DMA	109-111
DMA	196-198
EU15	Sustainability Statement, sec. Our people
EU18	10-11; Sustainability Statement, sec. Sustainable supply chain
Sub-category: society	
Material aspect: local communities	
DMA	134-141
EU22	134-141
Material aspect: disaster/emergency planning and response	
DMA	204

Sub-category: product responsibility	
Material aspect: customer health and safety	
EU25	203 Sustainability Statement, sec. Local and global communities
Material aspect: access	
DMA	96-100
EU26	Italy: 0% Spain: 0% Argentina: 0% Brazil: 0.7% Chile: 0% Colombia: 0.2% Peru: 4.8%
EU27	Sustainability Statement, sec. Electification, digital and platforms
EU28	Sustainability Statement, sec. Electification, digital and platforms
EU29	10-11, Sustainability Statement, sec. Electification, digital and platforms
EU30	81, Sustainability Statement, Electification, digital and platforms
Material aspect: provision of information	
DMA	100-101

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part Omitted	Reason	Explanation
Material Topics					
GRI 101: Foundation 2016					
Other indicator [1]	1. Number of incidents of non-compliance with physical and/or 2) cybersec.urity standards or regulations 2. cybersec.urity standards or regulations	1. 15 2. 0			
	Total wholesale electricity purchased	47,506,376.44 (MWh) The value considers the wholesale electricity purchased by the Global Trading Business Line			

(1) Additional indicators according to GRI 101.

SASB CONTENT INDEX

The following table shows the main indicators required by the SASB (Sustainability Accounting Standards Board) standard in relation to the primary sector of reference for Enel: "**Electric Utilities & Power Generators Sector**". There are 27 indicators (Sustainability Disclosure Topics & Accounting Metrics and Activity Metrics) divided into 6 main themes: Environment, Energy Affordability, Safety, End-Use Efficiency & Demand, Grid Resiliency, Activity Metric.
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 2020 Sustainability Report.

SECTOR: ELECTRIC UTILITIES & POWER GENERATORS SECTOR

Topic	Code	Accounting Metric		Reference *Sustainability Report*	Omission	GRI reference
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions	45.3 mil tCO_{2eq}	Net-zero ambition Sustainability statement	-	305-1
		(2) percentage covered under Emissions-limiting regulations	53%			
		(3) percentage covered under Emissions-reporting regulations	100%			
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	44.8 mil tCO_{2eq}	Net-zero ambition Sustainability statement	-	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		Net-zero ambition	-	102-15 201-2
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS)	NA	US regulation	-	
		(2) percentage fulfillment of RPS target by market				

Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N_2O),	76,256 (t)	Environmental Sustainability Sustainability statement	-	305-7	
		(2) SO_2	20,547 (t)				
		(3) particulate matter (PM10)	1,243 (t) (from thermal production)				
		(4) lead (Pb)	N/A				
		(5) mercury (Hg)	0.05 (t) (from coal power plants)				
		(6) percentage of each in or near areas of dense population	N/A				
	IF-EU-140a.1	(1) Total water withdrawn	51.5 (Mm^3)	Environmental Sustainability Sustainability statement	-	303-3 a	
		(2) total water consumed	20.4 (Mm^3)			303-5 a	
		3) percentage of each in regions with High or Extremely High Baseline Water Stress	22.9% of water withdrawal in water stressed areas 31.6% of water consumption in in water stressed areas			-	
Water Management	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	N/A: Available from 2021 reporting cycle				
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks		Environmental Sustainability	-	303-1 303-2 102-15	
	IF-EU-150a.1	1) Amount of coal combustion residuals (CCR) generated	0.802 (mil t)	Environmental Sustainability Sustainability statement	-	306-3	
		2) percentage recycled	72%			306-4	
Coal Ash Management	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	N/A	US regulations			

	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	N/A	Eletrification, digital and platform Sustainability statement	Billing data not available on the date of publication of the report	G4-DMA EU26 EU27 EU28 EU29 EU30
	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	N/A	Eletrification, digital and platform Sustainability statement	Consumption rates not representative for European and Italian customer retail market	G4-DMA EU26 EU27 EU28 EU29 EU31
Energy Affordability	IF-EU-240a.3	1) Number of residential customer electric disconnections for non-payment	Eletrification, digital and platform Sustainability Statement		-	EU27
		2) percentage reconnected within 30 days	N/A			
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Eletrification, digital and platform		-	DMA EU (former EU7) DMA EU (former EU23) 102-43 102-44 103-2 103-3
Workforce health and safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR),	(1) 0.599 (i)	Occupational health and safety Sustainability statement	-	403-9
		(2) fatality rate	(2) 0.008 (i)			
		(3) near miss frequency rate (NMFR)	(3) 0.297 (i)			
	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	
End-Use Efficiency & Demand	F-EU-420a.2	Percentage of electric load served by smart grid technology	N/A: Available from 2021 reporting cycle			
	F-EU-420a.3	Customer electricity savings from efficiency measures, by market (megawatt hours)	N/A: Available from 2021 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		Occupational Health and Safety	-	DMA EU former EU21
Grid Resiliency	F-EU-550a.1	1) Number of incidents of non-compliance with physical and/or 2) cybersecurity standards or regulations	15	Digital supports and cyber security	-	-
		2) cybersecurity standards or regulations	0		-	
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI),		Eletrification, digital and platforms Sustainability Statement	-	EU29
		(2) System Average Interruption Frequency Index (SAIFI)			-	EU28
		(3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	N/A			

	CODE	Activity metric		Reference	Omission	GRI reference
				Sustainability Report		
	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	N/A	Eletrification, digital and platforms Sustainability statement	Segmentation of customers not applicable to the Enel customer base	-
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, (5) wholesale customers	N/A		Segmentation of customers not applicable to the Enel customer base	-
	IF-EU-000.C	Length of transmission and distribution lines	2,231,961 (km)		-	EU4
	IF-EU-000.D	1) Total electricity generated, markets		Eletrification, digital and platforms Sustainability Statement	-	EU2
		2) percentage by major energy source,			-	
		3) percentage in regulated markets	N/A			
	IF-EU-000.E	Total wholesale electricity purchased	47,506,376.44 (MWh)**		-	-

Legenda

N/A: Not applicable

N/A: Not available

* Based on the classification provided by the WRI "Aqueduct 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".

** Value considers wholesale electricity purchased by the Global Trading Business Line

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.

NET-ZERO AMBITION (LINK: Sustainability Report)	RECOMMENDATIONS OF THE TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES)	EUROPEAN COMMISSION GUIDELINES ON CLIMATE RELATED INFORMATION
> Net Zero Ambition > A just and inclusive transition > Involvement of the stakeholders in the fight against climate change > Enel's advocacy activities for the climate		Policies and Due Diligence Process
> **The Enel governance model to face climate** *Competences of corporate bodies in relation to climate change* *The Enel organizational model for management of climate related issues* *Incentives system concerning climate change*	Governance: recommended disclosure a) and b)	Policies and Due Diligence Process
> **Enel's impact on climate change**		Business Model
> **Climatic scenarios** *The physical climate scenario* *The transition scenario*	Strategy: recommended disclosure c)	Business Model
> **The strategy for facing climate change** *2030 vision* *2021-2023 Strategic Plan*	Strategy: recommended disclosure b), c)	Business Model
> **Main risks and opportunities connected with climate change** *Identification, assessment and management of risks and opportunities related to physical phenomena* *Identification, assessment and management of risks and opportunities related to transition phenomena*	Strategy: recommended disclosure a) Risk Management recommended disclosure a), b), c)	Principal Risks and their management
> **Enel's performance in the fight against climate change** *Enel's carbon footprint* *The roadmap and the targets for the reduction of greenhouse gas emissions* *Le metriche finanziarie, operative e ambientali* *Goals*	Metrics & Targets: Recommended disclosure a), b), c)	Outcomes; Key Performance Indicators

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**' (1), 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 2020 Sustainability Report.

WORLD ECONOMIC FORUM			Sustanability Report 2020		
Pillar	**Theme**	**Core metrics**	**Key performance indicators**	**2020**	**Reference**
Principles of Governance	Governing Purpose	Setting purpose	-	-	At a glance - Open Power
	Quality of Governing Body	Governance body composition	Women on Board of Directors no.	4	Sound governance - Corporate governance model Sustainability Statement
	Stakeholder Engagement	Material issues impacting stakeholders	-	-	At a glance - Our priorities
	Ethical behavior	Anti-corruption	Employees who received training about anti-corruption policies and procedures%)	40	Sound governance - Values and pillars of corporate ethics Sustainability Statement
			Ascertained violations related to conflict of interest/corruption no.	2	
		Protected ethics advice and reporting mechanisms	Reports received related to violations of the Code of Ethics	151	
	Risk and Opportunity Oversight	Integrating risk and opportunity into business process	-	-	Sound governance - ESG risks
Planet	Climate Change	Greenhouse Gas (GHG) emissions	Direct greenhouse gas emissions- Scope 1 (mil t_{eq})	45.3	Net-zero ambition Sustainability Statement
			Indirect greenhouse gas emissions- Scope 2 - Purchased electricity from the grid (location based) (mil t_{eq})	1.4	
			Indirect greenhouse gas emissions - Scope 2 - Purchased electricity from the grid (market based) (mil t_{eq})	2.3	
			Indirect greenhouse gas emissions - Scope 2 - Distribution and trasmission system: energy losses (location based) (mil t_{eq})	3.6	
			Indirect greenhouse gas emissions - Scope 3 (mil t_{eq})	47.7	
		TCFD implementation	-	-	
	Nature Loss	Land use and ecological sensitivity	Hectares of protected areas (.000 ha)	1.3	Environmental sustainability - Biodiversity

(1) https://www.weforum.org/reports/measuring-stakeholder-capitalism-towards-common-metrics-and-consistent-reporting-of-sustainable-value-creation.

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Planet	Fresh Water Availability	Water consumption and withdrawal in water-stressed areas	Water withdrawal (m^3)	51.5	Environmental sustainability Sustainability Statement
			Water withdrawal in "water stressed" areas (%)	22.9	
			Water consumption (m^3)	20.4	
			Water consumption in "water stressed" areas (%)	31.6	
People	Dignity and Equality	Diversity and inclusion	Women incidence on total employees (%)	21.5	Our people Sustainability Statement
		Pay equality	Equal Remuration Ratio (%)	83.3	
		Wage level	CEO ratio	146x	Sound governance
		Risk for incidents of child, forces or compulsory labor	Evaluation among the supply chain of child labour defense and of compulsory or forced work prohibition	-	Sound governance - Human rights Sustainable supply chain
	Health and Wellbeing	Health and safety	Fatal accidents-Enel no.	1	Occupational health and safety Sustainability Statement
			Fatalities frequency rate-Enel (i)	0.008	
			"High consequence" injuries-Enel no.	3	
			"High consequence" injuries frequency rate- Enel (i)	0.024	
	Skills for the Future	Training provided	Average hours of training per employee (h/per cap)	40.9	Our people Sustainability Statement
			Employees training cost (min euros)	18	
Prosperity	Employment and Wealth Generation	Absolute number and rate of employment	People hired no.	3,131	Our people Sustainability Statement
			Hiring rate (%)	4.7	
			Terminations no.	3,696	
			Turnover (%)	5.6	
		Economic contribution	-	-	Sustainability Statement
		Financial investment contribution	Total investments (min euros)	10,197	Sustainability Statement
			Purchase of own shares and dividends paid	4,755	Consolidated Annual Report
	Innovation in Better Products and Services	Total R&D expenses	Investments in research and development (min euros)	111	Innovation Sustainability Statement
	Community and Social Vitality	Total tax paid	Total tax paid (min euros) [1]	4,245	Trend Topic - Tax transparency

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