



# SUSTAINABILITY REPORT 2023

Consolidated Non-Financial Statement prepared in accordance  
with Italian Legislative Decree 254/16\_year 2023

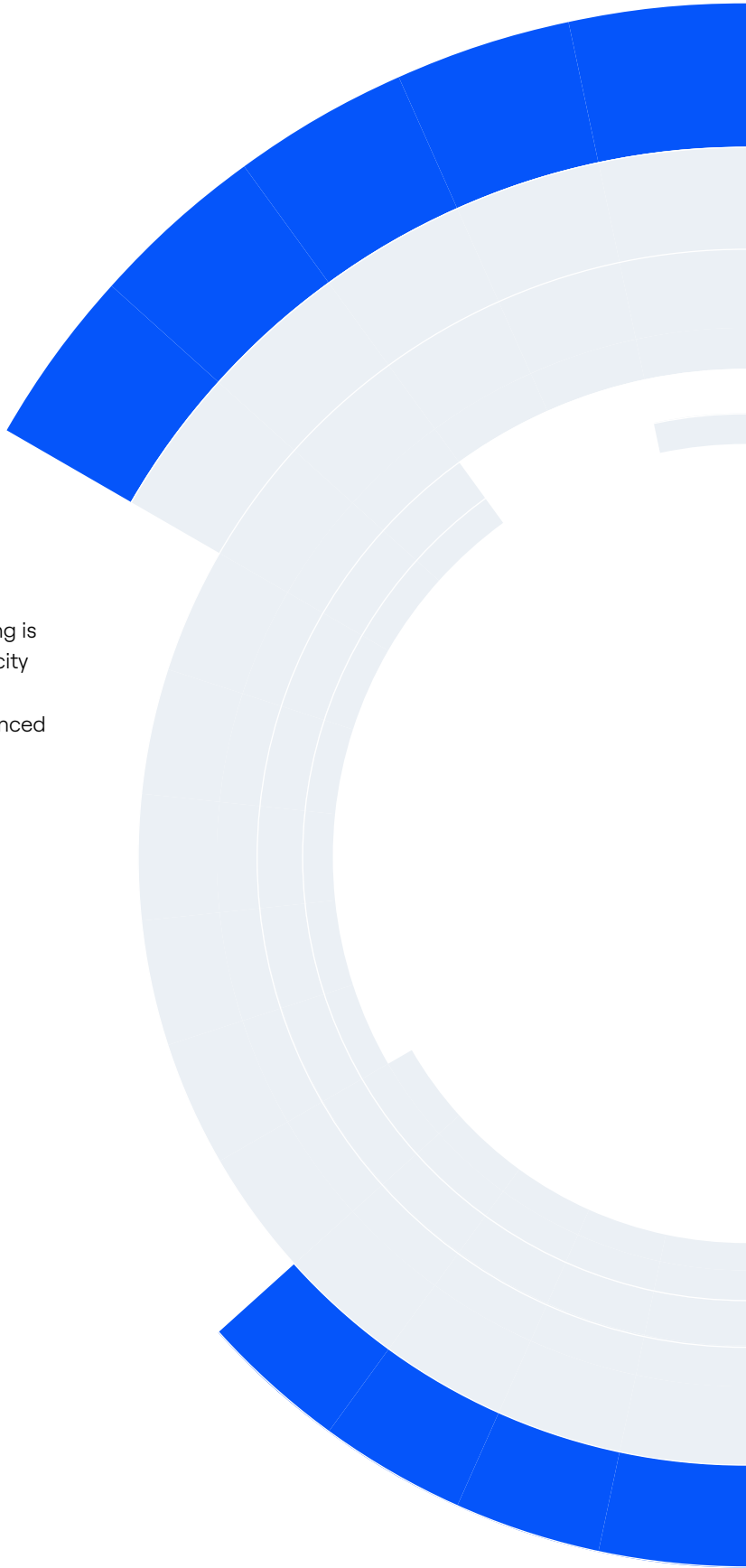


WE SUPPORT



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The graphic design of the Enel Group's Corporate Reporting is a symbolic way of representing the Company, from electricity generation to electricity distribution and utilization. Circular geometric shapes blend together to create a balanced system, emphasizing a focus on growth and on improving people's lives.





# SUSTAINABILITY REPORT **2023**

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# INDEX

## COMPANY VIEW

**Enel's Sustainability Report sets out the commitments and results achieved in ESG (Environmental, Social and Governance) issues, taking into account its stakeholders' expectations.**

It begins with a message to stakeholders from the Chief Executive Officer and the Chairman, followed by the **"Enel's commitment to sustainable development"** section, which outlines the Company as a whole, its business model and main performance indicators, the ESG context in which it operates, the engagement of stakeholders and material topics, the main objectives of the 2024–2026 Sustainability Plan and the outlook to 2030, sustainability governance, the role of Sustainability-Linked finance, its positioning in sustainability ratings, indices and benchmarks, as well as information on the European taxonomy.

A section is dedicated to **stakeholder engagement** and the results of the so-called **"double materiality"**.

The **"Performance 2023"** section is divided by topic and outlines the results and objectives of the Sustainability Plan. Each topic is introduced by the "sustainability dashboard", which summarizes the key commitments, as well as their state of progress and contribution to the United Nations Sustainable Development Goals (SDGs).

The **appendix** sets out: (i) the criteria used in drafting the report; (ii) the main quantitative indicators relating to sustainability performance ("Performance indicators"); (iii) the Content Indexes which provide simplified keys to interpretation in relation to GRI, SASB, TCFD, and human rights (the latter is included in the dedicated chapter); (iv) reporting on the European taxonomy, the Green Bond Report and the Sustainability-Linked Financing Report.

- [Integrated Annual Report 2023](#) >
- [Report and financial statements of Enel SpA at December 31, 2023](#) >
- [Report on corporate governance and ownership structure Financial year 2023](#) >
- [Report on the remuneration policy for 2024 and compensations paid in 2023](#) >



### Guide to navigating the document

To make it easier to view, in addition to hyperlinks, the document has interactions to assist with navigation.

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Enel from now on

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TOPIC VIEW

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Reference to the materiality analysis

- E** Environment
- S** Social
- G** Governance
- C** Cross

Reference to the Sustainability Plan

-  Zero emissions ambition
-  Nature
-  Stakeholders
-  Human rights
-  Growth accelerators



## Paolo Scaroni

Chairman



## Flavio Cattaneo

Chief Executive Officer  
and General Manager

# ENEL FROM NOW ON

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### Dear stakeholders,

The year 2023 marked an important change in the management of the Enel Group with the renewal of the entire Board of Directors and the appointment of the new Chairman, Paolo Scaroni. In turn, the Board of Directors has appointed Flavio Cattaneo as Chief Executive Officer.

The new management has defined the Group's strategy, based on three pillars: (i) **Profitability, flexibility and resilience** through selective capital allocation aiming at maximizing the Group's return while minimizing risk; (ii) **Efficiency and effectiveness** through the simplification of activities and processes, a leaner organization with clear accountability and a focus on core geographies in which the Group has an integrated position (Italy, Spain, Brazil, Chile, Colombia, and the United States) in order to maximize cash generation and compensate for inflationary dynamics and rising cost of capital; (iii) **Financial and environmental sustainability** to pursue value creation strengthening the financial structure, while addressing the challenges of climate change.

In 2023, Enel is confirmed as **the world's largest private operator in the renewable energy sector**, with 63 GW of managed capacity (including BESS), and in the **energy distribution sector**, with over 70 million end users connected to the grids. Furthermore, it is the private company with the **largest customer base**, amounting to over 61 million people, to whom it supplies energy and related services.

The Group continues to pursue the **decarbonization roadmap** in line with limiting global warming to below 1.5 °C: in 2023, absolute direct and indirect greenhouse gas emissions along the entire value chain, amounting to 94.3 MtCO<sub>2eq</sub>, were reduced by 26.3% compared to 2022, in line with the decarbonization targets for 2030 and 2040, as certified by the Science Based Targets initiative (SBTi).

In 2023, Enel also confirmed the technological leadership in generation from renewable sources, storage systems, and distribution networks. In the energy distribution sector, Enel continues to **modernize and digitalize electricity grids**, both to enhance their resilience to increasingly extreme weather events and to prepare them



to play the role of enablers of the energy transition. The push for **innovation** will continue to be a strategic driver. The Group will continue to monitor the evolution of new technologies that will mature in the medium-long term, such as hydrogen and the new small and modular fission or fusion nuclear reactors.

Enel is also leading the **path of energy transition and electrification of consumption** through the development of a portfolio of products and services dedicated to residential consumers, businesses, and municipalities. In the countries where it operates, Enel recognizes the importance of building strong and **positive relationships with all stakeholders**, from local communities to governments. Continuous dialogue with these stakeholders makes it possible to carry out projects that respond to common priorities and needs and allow the creation of sustainable and shared value.

**People and human capital** play a central role in leading the change and the achievement of strategic objectives. More than 61,000 people (about 23% are women), 79 different nationalities in 38 countries, 4 generations working together, all demonstrate how diversity and

inclusion are a fundamental prerequisite for a sustainable company. Enel pays constant attention to people's training and to the enhancing of talents, promoting growth paths based on merit.

Another key element is the more than 8,300 qualified **suppliers**, with whom the Group shares the goal of creating sustainable processes, capable of maximizing economic, social, and environmental benefits, in the knowledge that it is necessary to minimize the need for critical raw materials through innovation and circular economy.

Enel also maintains vigilant and constant attention to **safety in the workplaces**: safety is not only a corporate objective but a commitment to mutual responsibility between the Company, workers, and suppliers. In order to promote a shared and acted culture, Enel has launched a global communication campaign on safety issues.

To conclude, **the Group is determined to create value for all stakeholders**, contributing to the energy transition, the electrification of consumption, and the fight against climate change.





## 2. ENEL'S COMMITMENT TO SUSTAINABLE DEVELOPMENT

### ○ **The Enel Group strategy**

It is based on three pillars:

- Profitability, flexibility, and resilience through selective capital allocation
- Efficiency and effectiveness
- Financial and environmental sustainability.

### ○ **Zero emissions ambition and just transition**

A decarbonization roadmap for both direct and indirect emissions throughout the value chain.

A commitment to a just energy transition, managing the environmental and social components in an integrated way to ensure that no one is left behind.

### ○ **Toward continuous improvement**

A daily individual and collective commitment, which involves people, communities, companies, industries and institutions, leveraging innovation, digitalization, circular economy and Sustainability-Linked finance.

# THE SUSTAINABILITY CONTEXT

The global context in which the Group operates has been characterized over the past 12 months by interlocking events that have caused turmoil at all levels. In addition to the post-pandemic geopolitical events, there was a significant rise in interest rates and inflation with a corresponding downward revision of GDP growth in many countries. Moreover, the prolonged military conflict between Russia and Ukraine, the more recent conflict in the Middle East, the unstable relationship between the US and China, and the resulting uncertainty on a global scale continued to exacerbate energy, raw materials and food markets, slowing the process of normalizing inflationary pressures on a global scale. At the same time, the state of the art of the Paris Agreement targets calls for an acceleration of the energy transition to limit the increase in average global warming to within 1.5 °C compared to pre-industrial levels. At the recent COP 28 on climate change held in Dubai, a target was set to transition away gradually from fossil fuels by 2050 and to triple renewable capacity by 2030 (11 TW vs 3.6 TW in 2022).

The **path towards achieving the UN Sustainable Development Goals** is significantly behind, with only 15% currently on track, due to various interconnected crises and tensions. In response, the UN Global Compact launched the “**Forward Faster**” campaign in September 2023, urging companies to accelerate their efforts, particularly in Climate action, Finance and investment, Water resilience, Gender equality and Living wage.

Governments and regulators have well understood the need to pursue ever greater energy independence through energy generated from renewable sources. This is a context in which the role of distribution networks will be crucial in meeting demand and accommodating new capacity from renewables, along with that of energy storage systems, which in turn will be crucial in ensuring not only the penetration of renewables, but also a stable and reliable supply.

**Climate, human rights and just transition** are global **priorities** for action. Tackling the climate crisis has significant social impacts, and the imperatives of a just transition and respect for human rights must be taken into account in business practices, as reaffirmed by the Paris Agreement and COP 28, putting people at the center to ensure support and engagement.



For further details see the chapters “**Zero emissions ambition and just transition**” and “**Managing human rights**” of this Report.

**There is also a growing focus on issues related to nature and in particular biodiversity.** The recently announced commitment at the World Economic Forum to start making nature-related disclosures, building on the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) published in September 2023, underlines the crucial turning point on this topic for the private sector and reiterates the importance of considering the synergies between people, nature and climate. In line with this trend, even leading ESG ratings demand commitments from companies on biodiversity conservation.

**Digitalization** driven by artificial intelligence offers opportunities and challenges, eliciting responses from regulators, but also raises concerns about the ethics of artificial intelligence and its implications for the workforce. Considering the growing need to ensure that artificial intelligence is used responsibly and safely, the European Union has approved a draft law on the subject that would regulate the use of large language models and generative artificial intelligence.

Finally, **mandatory sustainability reporting**, spearheaded by the European CSRD (Corporate Social Responsibility Directive) and the International Sustainability Standard Board, is progressively imposing itself globally, requiring increasing cooperation and collaboration between the various institutions and regulators in different countries. The various regulations and mandatory requirements are, however, faced with the growing risk of anti-ESG sentiment, which may delay their adoption in some regional contexts.

The sustainability landscape is constantly evolving and, in order to meet challenges and seize opportunities, constant monitoring of trends is required along with joint action by the different stakeholders to weigh up needs while aiming at sustainable progress. Companies can play a crucial role by promoting a fair and sustainable transition through concrete and credible commitments in line with the context.

# Enel's participation in sustainability networks

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## 1. United Nations Global Compact

In 2004 Enel joined the United Nations Global Compact by committing to its ten founding principles on human rights, labor standards, environmental protection and anti-corruption. In 2023 Enel continued its commitment in the area of sustainable finance, co-chairing the "[CFO Coalition for the SDGs](#)", being part of the new Advisory Board and contributing to the preparation of various reports. The Group was also member of the [Think Lab on Just Transition](#), it has

continued its commitment as a patron of [Transformational Governance](#) and has participated in the [Business & Human Rights Accelerator](#). In 2023, Enel was among the early mover companies of the [Forward Faster Campaign](#) – the initiative that urges the private sector to act with more ambitious goals for reaching the SDGs in five areas of priority – committing specifically to the targets of Climate action and Finance & investment.

## 2. Sustainable Energy for All



Enel's collaboration with Sustainable Energy for All (SEforALL), which started in 2011 and continued over the years, becoming a Member of the Board between 2014 and 2018 and Chairman of the Administrative Board from 2020 to May 2023, has also continued this year with the commitments made through the [Energy Compacts](#). In fact, the Group also contributed to the [Energy Compacts Progress Report 2023](#), promoted by SEforALL, which collects the progress of the commitments to SDG 7 – clean and affordable energy for all – whose results include Enel's three

Energy Compacts: [Enel's Energy Compact](#); [Santiago Energy Compact](#); [Electrification of Sardinia](#). Furthermore, since 2021 SEforALL co-manages with the Enel Foundation the [Open Africa Power](#) program – created by the Enel Foundation itself in 2018 and run with the support of MAECI and in collaboration with prestigious Italian and African academic institutions – dedicated to providing training in the area of energy transition to African master's and PhD students, which has a community of more than 500 alumni.

## 3. CSR Europe



Since 2005, Enel has been part of CSR Europe, and is currently a Board member. In 2023 it participated in "Leadership Hub Materials and Markets", which focused on the human rights due diligence and the potential environmental and social impacts associated to raw materials sourcing and on European sustainability reporting standards; this has led to the preparation of a [position](#)

[paper](#) and a [letter](#) addressed to European institutions regarding the new European standards (ESRS – European Sustainability Reporting Standards). In 2023 the [European Business Toolbox for Just Transition](#), a tool that provides guidelines for a just transition strategy to companies, was launched. The Group also participated in the [Collaborative Platform on Tax Responsibility and Transparency](#).

## 4. World Business Council for Sustainable Development



Since 2016, Enel has been a member of the World Business Council for Sustainable Development and is represented both on the Board, and at Liaison Delegate level. In 2023, the Group continued to be involved in multiple programs and projects, including the Energy Pathway, for which it is also a member of the Leadership Group. Since 2022 Enel

has been part of the [Business Commission to Tackle Inequality](#), in which it is a Commissioner and participates in various working groups. The Group has also played an active role in the projects: "Nature-based solutions", "Transport & Mobility", "Carbon Capture Storage and Removals".



## 5. Global Reporting Initiative

Member of the Global Reporting Initiative since 2006 and the GRI Community since 2016, in 2023 Enel continued to engage with the other members of the Global Sustainability Standards Board, once again confirming its efforts to

achieve the Sustainable Development Goals, while demonstrating commitment, accountability and transparency through corporate disclosure.

## 6. IFRS Sustainability Alliance



In 2023 Enel continued its commitment to the IFRS Sustainability Alliance to promote transparent, reliable and

comparable reporting on environmental, social and governance issues.

## 7. Global Investors for Sustainable Development (GISD) Alliance



In 2023, Enel continued its participation in the Global Investors for Sustainable Development (GISD) Alliance, an integral part of the UN [Strategy for Financing the 2030 Agenda for](#)

[Sustainable Development](#). Enel actively contributed to the Alliance debates on mobilizing investments to support sustainable development.

## 8. Science Based Targets Network (SBTN) for Nature

After joining the [Science Based Targets Network's Corporate Engagement Program](#) in 2021, Enel again committed to SBTN's goals and vision and contributed to the development of methods and tools. SBTN – a unique collabo-

ration of not-for-profit and world-leading organizations – provides companies with guidance to set science-based goals for nature, including freshwater, oceans, land and biodiversity.

## 9. Taskforce on Nature-related Financial Disclosures (TNFD) Forum



After becoming a member of the Forum in 2021, in 2023 Enel's collaboration with the Taskforce on Nature-related Financial Disclosures (TNFD) continued. In particular, Enel participated in the [TNFD Pilot Program](#), which tested the new TNFD Framework and contributed to the publication of the [TNFD recommendations](#) for facilitating companies

and financial institutions in the assessment and reporting of risks and opportunities related to nature and biodiversity. Finally, in January 2024, Enel became part of the group of [TNFD early adopters](#), committing to start publishing the first TNFD-aligned disclosure for the 2025 financial year.

## 10. First Movers Coalition



In 2023 Enel confirmed its commitment to the working group dedicated to steel of the [First Movers Coalition](#), contributing to the definition of positioning and identification of policy asks for the steel sector. The coalition is

guided by the Chairman and the Department of State of the United States, in close collaboration with the [World Economic Forum](#), and has the objective of decarbonizing hard to abate industrial sectors.

## 11. Sustainable Stock Exchanges Initiative



In 2023 Enel participated in the Sustainable Stock Exchanges Initiative as an Official Supporter. Furthermore, as member of the Advisory Board dedicated to the Voluntary Carbon Markets, Enel contributed to the preparation of

the guide lines: “[How exchanges can maximize the opportunities of carbon markets – An action framework to guide exchanges](#)”.

## 12. World Climate Foundation



In 2023 Enel was member of the World Climate Foundation, a multi-stakeholder and multi-sector network to promote the transition to a zero-emission and nature-posi-

tive planet through multilateral dialogue and agreements, as well as investment in sustainable solutions.

## 13. CLEANaction



Since 2023 Enel has been member of the [Coalition Linking Energy And Nature for action](#) (CLEANaction), promoted by WWF, which involves electrical companies and sector as-

sociations with the objective of assessing and mitigating the impacts and potential risks that new renewable energy generation projects could have on biodiversity and nature.

## 14. We Mean Business Coalition

Enel collaborates with the We Mean Business Coalition through initiatives and campaigns targeted toward accelerating a just transition and toward a world aligned with the climatic goal of 1.5 °C. In April 2023 the Group became part of the Energy Advisory Group of the coalition that provides guidelines and advice on the most recent de-

velopments in terms of challenges and opportunities for the energy sector. In addition, Enel also contributed to the [Corporate Climate Stocktake \(CCST\) report](#), which records the progress, challenges and opportunities of the private sector for reaching the Net Zero target.

## 15. GreenBiz Executive Network Europe



In 2023, Enel continued its partnership with the [European GreenBiz executive network](#), which supports large companies toward achieving an even more deep-rooted sus-

tainable transformation and increasingly ambitious development goals.

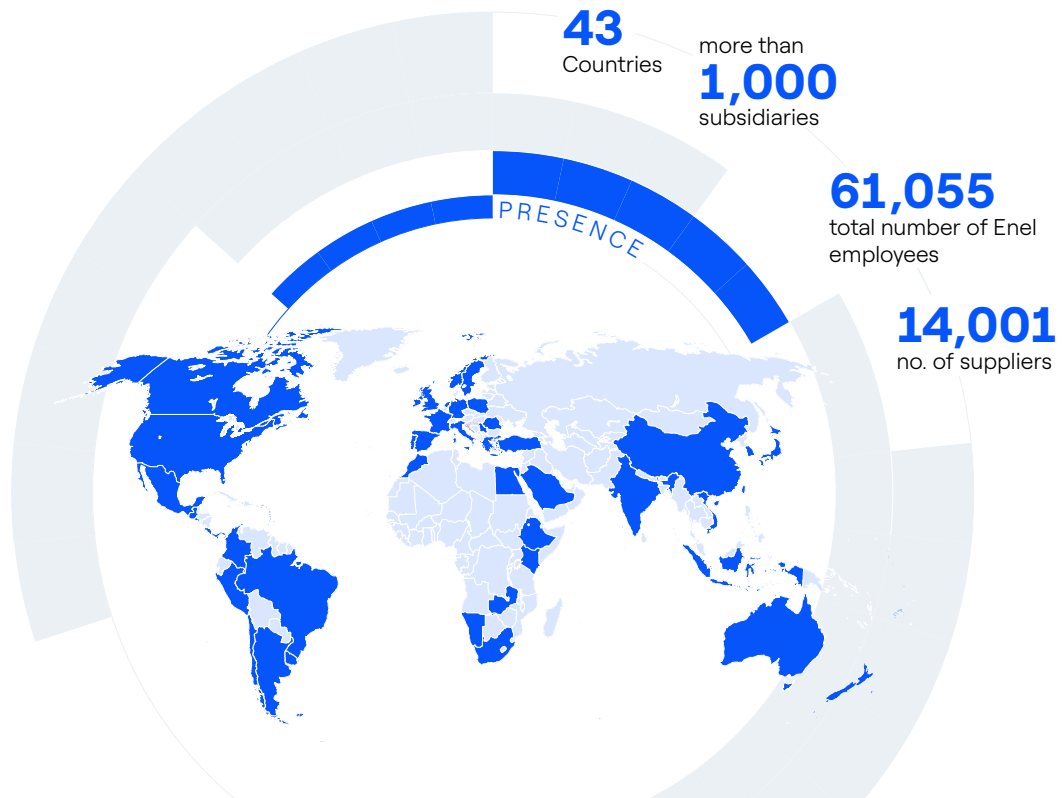


For more information on Enel's participation in the sustainability networks, refer to the dedicated chapters in the **Sustainability Report**.

# THE BUSINESS MODEL AND VALUE CREATION

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 | EU1 | EU2 | EU3 | EU4 |

Enel remains leading group in the energy sector, with a **presence in 43 countries on five continents**, vertically integrated along the entire value chain.



**The business model is focused on sustainability and built to seize the opportunities that come with the changing environment.** It outlines how the Company's organizational units, linked to its three main businesses (Generation, Distribution and Customer sales), must work to capture all possible benefits related to emerging trends, in particular the energy and digital transition, and to be able to effectively manage all the risks related to the rapidly changing energy sector environment.

In order to benefit fully from all the opportunities emerging from the market in which it operates, the Group has identified three different business models, Ownership, Partnership and Stewardship, that it can leverage to achieve its defined ambitions.

Exploiting synergies between the different business areas and implementing actions also through the lever of Innovation, Enel promotes solutions to drive sustainable prog-

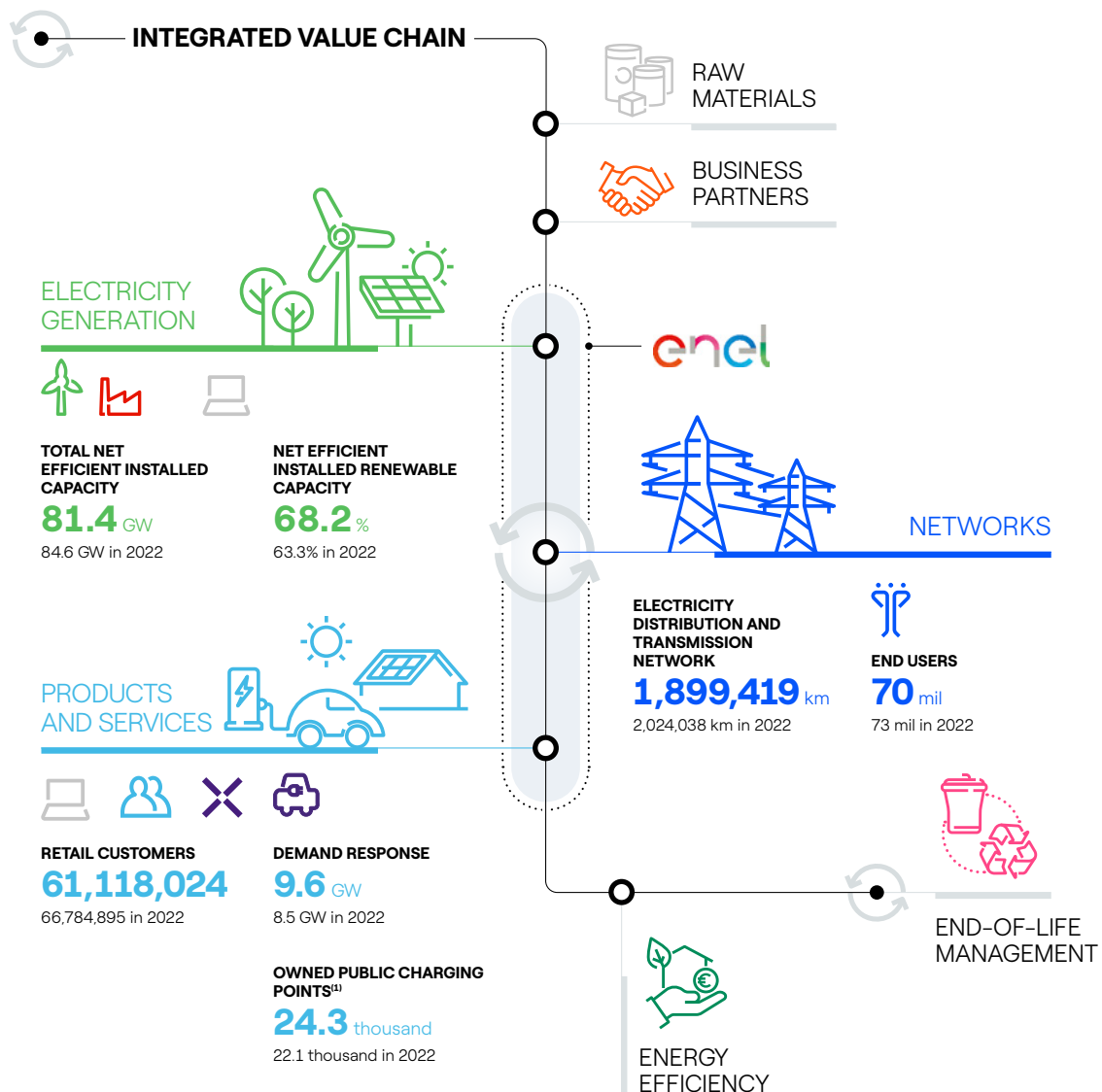
ress, reduce environmental impact, meet the needs of customers and the local communities in which it operates, and strives to ensure high safety standards for Enel people and suppliers.

At the basis of its activities, the Enel Group has a **solid**, dynamic and constantly oriented **ethical system** that incorporates best practices at national and international level, which all people working in and for Enel must respect and apply in their daily activities. The system is based on specific compliance programs including: the Code of Ethics, the Human Rights Policy, the Zero Tolerance of Corruption Plan, the Enel Global Compliance Program, the Organization and Management Model pursuant to Legislative Decree No. 231/2001, plus other national compliance models that may have been adopted by Group companies in accordance with local regulations.

# The integrated value chain and the creation of value for and with stakeholders

Enel is the largest global private operator in the renewable energy sector, with 55.5 GW of installed capacity<sup>(1)</sup>, accounting for **68.2%** of the entire generation capacity (**Enel Green Power and Thermal Generation**). It is the largest private electricity distribution company globally, with more than **70 million end-users** connected to the grids

(**Enel Grids and Innovability**), of which **45 million** have active smart meters. Finally, it has the largest customer base among private companies (**Enel X Global Retail**), with more than **61 million customers**. To guarantee a stable energy supply, the Group operates in wholesale energy markets (**Global Energy & Commodity Management**).



(1) It should be noted that the figures shown, if they also included the charging points of companies operated in joint ventures, would be 25,337 as of December 31, 2023, and 22,617 as of December 31, 2022.

With the help of its stakeholders (including Enel people, suppliers, partners, communities, customers, the financial community, institutions, the media, businesses, trade associations, etc.) Enel is dedicated to creating **a transition path that is equitable and that generates shared value** in the contexts in which it operates. In order to achieve sustainable financial,

environmental and social results, it is important to build solid and lasting relationships in the countries in which the Group operates. An ongoing dialogue with individual stakeholders and their representative organizations makes it possible to identify priorities for action and define the contribution to the UN Sustainable Development Goals (SDGs).

(1) Including managed renewable capacity and BESS (Battery Energy Storage System), in 2023 63 GW of installed capacity was reached.

STAKEHOLDERS	2023 VALUES	INPUT	2023 VALUES	OUTPUT
 <p><b>PLANET</b> Enel is committed to defining measures and actions for mitigating the impacts generated by climate changes, including the loss of biodiversity and the disappearance of ecosystems, to guarantee a safe, healthy, clean and sustainable environment to respect the rights of humans and future generations. See the chapters "<a href="#">Zero emissions ambition and just transition</a>" and "<a href="#">Roadmap towards natural capital conservation</a>".</p>	<b>207.3 TWh</b>	Net electricity generation	<b>160 gCO<sub>2eq</sub>/kWh</b>	Scope 1 GHG emissions Intensity relating to Power Generation
	<b>0.20 l/kWh</b>	Total specific freshwater withdrawal	<b>168 gCO<sub>2eq</sub>/kWh</b>	Scope 1 and 3 GHG emissions Intensity relating to Integrated Power
	<b>23.3%</b>	Withdrawal of water in water stressed areas	<b>16.8 MtCO<sub>2eq</sub></b>	Scope 3 emissions (Gas Retail)
	<b>183 no.</b>	Projects for the protection of species and natural habitats	<b>0.09 g/kWh</b>	Specific emissions of SO <sub>2</sub>
			<b>0.26 g/kWh</b>	Specific emissions of NO <sub>x</sub>
			<b>35.4 Mm<sup>3</sup></b>	Total water consumption
			<b>22.1%</b>	Withdrawal of water in water stressed areas
			<b>8,343 ha</b>	Hectares covered by restoration projects
 <p><b>ENEL PEOPLE</b> Enel is committed to nurturing a close relationship with them, particularly by paying greater attention to caring activities and active listening, while promoting internally a culture of inclusion, enhancement of diversity, innovation and business entrepreneurship to face the challenges posed by a constantly changing context. See the chapter "<a href="#">Enel people</a>".</p>	<b>61,055 no.</b>	Enel employees	<b>6.6%</b>	Turnover
	<b>32.5%</b>	Proportion of women managers and middle managers to total managers and middle managers	<b>0.72 i</b>	Lost Time Injury Frequency Rate <sup>(1)</sup> – Enel people
	<b>47.2%</b>	Women in managerial succession plans	<b>48.1 hours</b>	Average training hours per employee
			<b>44.8%</b>	Training dedicated to reskilling and upskilling
 <p><b>COMMUNITIES</b> Specific action plans and projects are jointly drawn up, intended to promote access to energy, fighting energy poverty, supporting quality education and socio-economic development, starting from a proactive analysis of their needs through a shared value creation model. See the chapter "<a href="#">Engaging communities</a>".</p>			<b>3.9 mil</b>	Beneficiaries <sup>(2)</sup> of projects for communities
 <p><b>SUPPLIERS</b> The Group faces the challenges of transition and supports their path of change and growth, sharing ideas and innovations. See the chapter "<a href="#">Sustainable supply chain</a>".</p>	<b>14,001 no.</b>	Active suppliers	<b>100%</b>	Qualified suppliers assessed for ESG aspects
	<b>150,820 no.</b>	FTE suppliers	<b>66%</b>	Value of supply contracts covered by CFP certification <sup>(3)</sup>
			<b>0.56 i</b>	Lost Time Injury Frequency Rate – Contractors
 <p><b>CUSTOMERS</b> Enel analyzes their needs to ensure reliable responses and establish lasting relationships, committing itself to offering sustainable solutions and services that are convenient, innovative, flexible and attentive to the most vulnerable to ensure equal access to energy. See the chapters "<a href="#">Business drivers</a>" and "<a href="#">Customer centricity</a>".</p>	<b>24.3 thousand</b>	Publicly owned charging points <sup>(4)</sup>	<b>300.9 TWh</b>	Electricity sold
	<b>45.2 million</b>	End users with active smart meters <sup>(5)</sup>	<b>177 no./10k customers</b>	Commercial claims
	<b>43.70%</b>	Digital clients	<b>218 min</b>	SAIDI
			<b>0.6 million</b>	Beneficiaries of new connections in rural and suburban areas
 <p><b>PARTNERS</b> Through openinnovability.com, a crowdsourcing platform, the different areas of the Group can interact with start-ups, industrial partners, small and medium-sized enterprises ("SMEs"), research centers, universities and entrepreneurs, to deal jointly with the challenges of the future and guarantee sustainable progress for all. See the chapter "<a href="#">Innovation</a>".</p>	<b>10 no.</b>	Innovation Hubs	<b>113 no.</b>	Proof of Concept
			<b>46 no.</b>	Solutions adopted in the business
			<b>35 no.</b>	Partnership agreements for innovation
 <p><b>FINANCIAL COMMUNITY</b> Enel maintains a constant and open relationship, based on principles of integrity and transparency, in compliance with the rules and best practices, in order to increase the level of understanding of the activities carried out by the Group. See the chapter "<a href="#">Sound governance</a>".</p>	<b>60,163 mil€</b>	Net financial debt	<b>0.43 €/share</b>	Fixed dividend per share (DPS)
	<b>64%</b>	Sustainable sources of financing on total	<b>4.0%</b>	Cost of debt
	<b>84.8%</b>	Investments aligned with the European taxonomy		

(1) Number of injuries with at least one day of absence per million hours worked.

(2) Beneficiaries are the people estimated to benefit from a project being carried out. Enel only considers the beneficiaries in the current year. The number of beneficiaries considers the activities and projects carried out in all the areas in which the Group operates.

(3) Carbon Footprint.

(4) It should be noted that the figures shown, if they also included the charging points of companies operated in joint ventures, would be 25,337 as of December 31, 2023.

(5) The number of Enel end users with active smart meters decreased by 652,004 in 2023, due to the exit of Romania from the scope of consolidation (1,285,969). These effects were partially offset by increases in Brazil (+412,667), Italy (+129,439), and Spain (87,218). Of which 28.7 million second-generation smart meters in 2023.



**The integrated presentation of financial and sustainability information** makes it possible to effectively communicate the business model and the value creation process in terms of both results and short- and medium-term

prospects. The management of economic, environmental and social aspects is increasingly significant in assessing a company's ability to create value for the benefit of its stakeholders.

## Economic value generated and distributed for stakeholders

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Million euros				
	2023	2022	2023-2022	%
<b>Economic value generated directly</b>	<b>96,159</b>	<b>140,821</b>	<b>-44,662</b>	<b>-31.7%</b>
<b>Economic value distributed directly:</b>	<b>86,868</b>	<b>130,824</b>	<b>-43,956</b>	<b>-33.6%</b>
Operating costs	67,631	114,384	-46,753	-40.9%
Personnel and benefit cost	4,126	3,646	480	13.2%
Payments to capital providers (shareholders and lenders)	8,890	7,691	1,199	15.6%
Payments to government bodies <sup>(1)</sup>	6,221	5,103	1,118	21.9%
<b>Economic value retained<sup>(2)</sup></b>	<b>9,291</b>	<b>9,997</b>	<b>-706</b>	<b>-7.1%</b>

- (1) The amount includes the Total Tax Borne, which represents the total amount paid for taxes that constitute a cost for the Group. The figure for 2022 takes into account a more precise determination. For more details on Total Tax Borne, please refer to the Sustainability Report and the Consolidated Non-Financial Statement for 2023. The 2022 figures include a more specific determination thereof.
- (2) The 2022 figures include a more specific determination thereof.

The economic value generated and distributed directly by Enel provides a useful indication of how the Group has created wealth for all stakeholders. The reduction in the economic value generated directly is mainly related to the decrease in sales revenues of energy commodities, in particular gas and electricity, due to both the lower quantities brokered in the wholesale and retail markets and the reduction in average prices.

The decrease in operating costs is mainly due to the reduction in energy and gas purchase costs due to the decrease in volumes and average prices, as well as the drop in costs for transportation and CO<sub>2</sub> quotas.

Payments to capital providers increased mainly due to higher interest expense, mainly as a result of rising interest rates. In addition, there was an increase in dividends paid compared to the previous year.

## The organizational model and governance for sustainability

The organizational structure of the Enel Group is articulated in a matrix that considers:

- **Global Business Lines** entrusted with the task of managing and developing assets, optimizing their performance and return on investment, in the various geographical areas where the Group is present. In accordance with safety, security and environmental policies and regulations, they are tasked with maximizing the efficiency of managed processes and applying best practices worldwide by sharing with the Countries responsibility for EBITDA, cash flow and revenues;
- **Regions and Countries**, which manage relations with institutional bodies and local regulatory authorities, as well as electricity and gas distribution and sales activities, also providing support in terms of staff activities and other services to the Business Lines. In addition, they are tasked with promoting decarbonization and

driving the energy transition toward a low-carbon business model within their areas of responsibility.

Also supporting the business are:

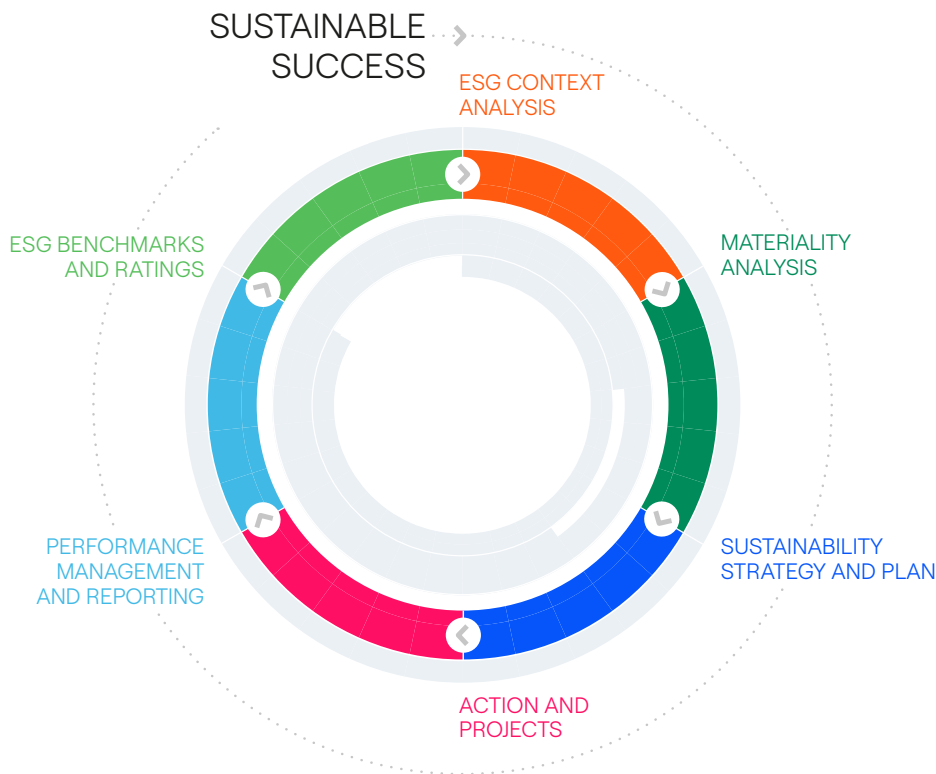
- the **Global Service Function**, which is responsible for managing information and communication technology activities, Group-wide procurement and the management of global customer actions. It also focuses on the responsible adoption of measures to achieve sustainable development goals, specifically in supply chain management and the creation of digital solutions to support the development of technologies to enable the energy transition and combat climate change;
- the **Holding Company Staff Functions** (Administration, Finance and Control, People and Organization, External Relations, Legal, Corporate, Regulatory and Antitrust Affairs, Audit, CEO Office, Security) which are responsible for managing governance processes at Group level.

## Integrating sustainability into Company strategy and processes

2-24

Enel has adopted a system of corporate governance that is functional to the development of a business model and strategy based on sharing value creation with all relevant stakeholders, placing environmental, social and financial sustainability at the center of the corporate culture. In particular, Enel's corporate governance system monitors the integration of sustainability into corporate strategies in relation to the different stages of: (i) the sustainability context and megatrends analysis; (ii) materiality analysis and stakeholder engagement; (iii) sustainability planning;

(iv) definition and implementation of specific actions to support the sustainable business model; (v) monitoring sustainability performance, through the definition and adoption of specific ESG indicators throughout the value chain; (vi) sustainability disclosure, both to comply with specific regulations and to respond to requests from various stakeholders (vii) ESG ratings and indices review. Every stage of this process relies on constant listening and dialogue with internal and external stakeholders and on respect for human rights as key elements in the pursuit of Sustainable Success.



Sustainability topics are integrated in all relevant corporate decision-making processes, according to a system of functions and responsibilities that goes all the way back to Enel's main corporate governance bodies.

Responsibility for sustainability-related activities is entrusted to a specific **business unit called "Sustainability", located within the "Enel Grids and Innovability" Function**, which guides and coordinates the Group with regard to both sustainability management processes and activities in Countries, Business Lines and Holding Company Staff Functions.

To support the central sustainability unit, there are also dedicated structures in the Countries, Business Lines and Staff Functions.

Enel also takes into account the need to pursue Sustainable Success: (i) when drawing up the remuneration policy for the Chief Executive Officer/General Manager and Key Management Personnel, defining specific sustainability objectives the achievement of which is linked to a significant component of the variable pay; (ii) with regard to the internal control and risk management system, consisting

of the set of rules, procedures and organizational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main corporate risks.

For more information on the activities carried out by the corporate bodies, please refer to the **Enel Report on Corporate Governance and Ownership Structure** and the **Remuneration Report** available at [www.enel.com](http://www.enel.com), governance section, as well as the chapter on **"Sound governance"** in this document.

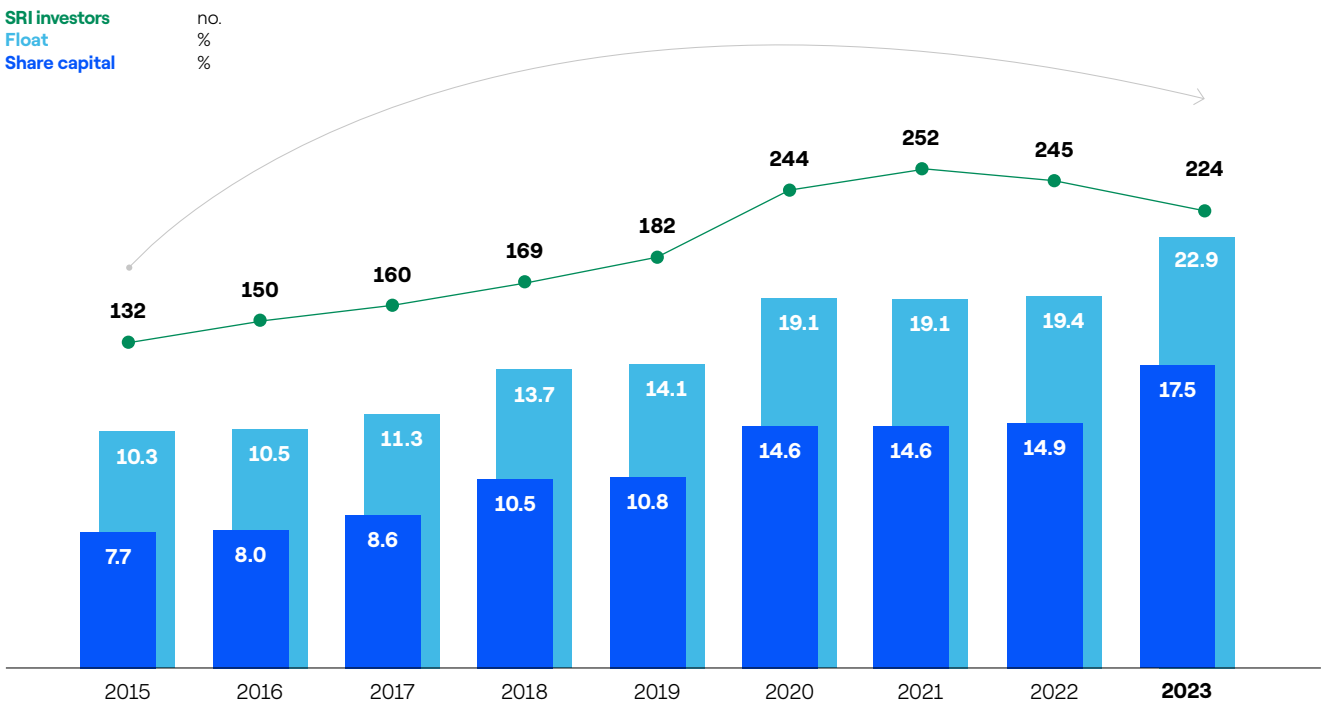
## Socially responsible investors in Enel share capital

Sustainability represents a fundamental lever for creating economic and financial value. A consistent number of investors have integrated ESG topics in their investment portfolio (Socially Responsible Investors<sup>(2)</sup>, "SRIs") over the past years in order to minimize financial risk and guarantee higher returns.

Enel is a **Company listed since 1999** on the Euronext Milan stock exchange and managed by Borsa Italiana SpA, whose corporate structure includes the main international investment funds, insurance companies, pension funds and ethical funds. Since 2014, socially responsible investment funds (active and passive) have almost tripled their share of Enel share capital<sup>(3)</sup>, reaching **17.5%** at the end

of 2023, sharply up as compared to December 31, 2022 (14.9%). Their share of total institutional investors is also increasing, reaching 29.8% at the end of 2023, compared to 26.2% of the previous year. In absolute terms, 224 investors (vs 245 at the end of 2022) with investment funds consider not only the Group's financial performance but also the environmental, social and governance practices that Enel integrates into its business strategy and all activities along the entire value chain. Furthermore, again at the end of 2023, **42.8%** of Enel's capital was held by investors who were signatories of the United Nations Principles for Responsible Investment (UN PRI) (vs 42.1% at the end of 2022).

### GROWTH IN ESG INVESTORS



- (2) Socially Responsible Investors (SRIs) were identified by an external provider on the basis of (i) an assessment of their Responsible Policy, (ii) active ownership, voting and engagement policy and (iii) whether the integration of environmental, social and governance (ESG) criteria was incorporated into their investment decision-making processes.
- (3) At December 31, 2023, Enel SpA's fully subscribed and paid-in share capital amounted to 10,166,679,946 euros, represented by the same number of ordinary shares with a par value of 1 euro each, and was unchanged compared to December 31, 2022.

# Sustainability-Linked finance according to Enel

At Enel, sustainable finance constitutes a key lever for creating economic and financial value, and makes it possible to raise capital, both public and private, by channeling it towards sustainable investments and thus promoting the achievement of related development goals.

The new issues of Sustainability-Linked bonds, together with all the sustainable financial operations structured during the year, made it possible at the end of 2023 to reach a ratio between sustainable sources of borrowings and Group total gross debt of **64%**, with the aim of reaching around **70%** in 2026.

## Sustainability-Linked Financing Framework

In 2020, Enel was the first company in the world to include in its funding contracts a mechanism that links the cost of financing to the achievement of one or more sustainability targets identified in the **“Sustainability-Linked Financing Framework”**, a document that extends the Sustainability-Linked approach to all financial debt instruments. The “Sustainability-Linked Financing Framework” is updated annually, consistently with the objectives defined in the Group’s Strategic Plan.

In the latest version, published in January 2024, the Sustainability Performance Targets (“SPT”) of the five Key Performance Indicators (“KPIs”) included in the framework,

and which contribute to the achievement of SDG 7 (“Affordable and clean energy”) and SDG 13 (“Climate action”) as well as the European Environmental Objective of Climate Change Mitigation, were updated:

1. Scope 1 GHG emissions Intensity relating to Power Generation ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ),
2. Scope 1 and 3 GHG emissions Intensity relating to Integrated Power ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ),
3. Absolute Scope 3 GHG emissions relating to Gas Retail ( $\text{MtCO}_{2\text{eq}}$ ),
4. Renewable Installed Capacity Percentage (%),
5. Proportion of Capex aligned to the EU taxonomy (%).

KPI	Actual values		Sustainability Performance Targets (SPT)				
	2023	2023	2024	2025	2026	2030	2040
<b>KPI#1</b> Scope 1 GHG emissions Intensity relating to Power Generation ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ )	160	148	140	130	125	72	0
<b>KPI#2</b> Scope 1 and 3 GHG emissions Intensity relating to Integrated Power ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ )	168			135	135	73	0
<b>KPI#3</b> Absolute Scope 3 GHG emissions relating to Gas Retail ( $\text{MtCO}_{2\text{eq}}$ )	16.8			20.9	20.0	11.4	0
<b>KPI#4</b> Renewable Installed Capacity Percentage (%)	68.2	65	69	73	74	80	100
<b>KPI#5</b> Proportion of CAPEX aligned to the EU taxonomy (%)	84.8			>80% (2023-2025) <sup>(1)</sup>	>80% (2024-2026) <sup>(2)</sup>		

(1) SPT with cumulative observation period 2023-2025.  
(2) SPT with cumulative observation period 2024-2026.

The performance of the KPIs in the table is periodically reviewed by an external auditor and published by Enel in the Integrated Annual Report and the Sustainability Report.

**Compared to the previous year, the Group managed to reduce direct and indirect GHG emissions by 26.3% along the entire value chain.** In addition, the Group reduced the Scope 1 GHG emissions Intensity relating to Power Generation by more than 30.1%, from 229  $\text{gCO}_{2\text{eq}}/\text{kWh}$  in 2022 to **160  $\text{gCO}_{2\text{eq}}/\text{kWh}$  in 2023.**

However, due to the unprecedented crisis faced by the European energy system in 2022 and 2023, the Group’s

emission reductions in 2023 were not sufficient to reach the Scope 1 GHG emissions Intensity relating to Power Generation set for 2023 and announced at the Capital Markets Day held in November 2020 to launch the 2021-2023 Strategic Plan. The intensity was above the target of 148  $\text{gCO}_{2\text{eq}}/\text{kWh}$ . In the absence of this effect, Enel would have been able to achieve a level of emission intensity well below the target of 148  $\text{gCO}_{2\text{eq}}/\text{kWh}$ .

As a result, the Group’s Sustainability-Linked instruments setting the Scope 1 Power Generation intensity target of 148  $\text{gCO}_{2\text{eq}}/\text{kWh}$  for 2023 will be subject to an increase in the relevant margin. Enel will meet its obligations in accor-

dance with the terms and conditions of the legal documentation for such Sustainability-Linked transactions.

Despite these unprecedented circumstances, the **Group's emissions intensity in 2023 remained in line with the 1.5 °C trajectory**. In fact, the industry's decarbonization approach under the SBTi initiative set a maximum threshold of 246 gCO<sub>2eq</sub>/kWh for Enel for 2023, well above the actual figure. Ultimately, **Enel's commitment to decarbonization remains confirmed for the short and medium-to-long term, as set out in the 2024-2026 Strategic Plan**, which establishes a new short-term target for 2026 of 125 gCO<sub>2eq</sub>/kWh.



For further information, please refer to the appendix of this document, in particular to the chapter "**Sustainability-Linked Financing Report**".

## Enel's role in the National Recovery Plan

The Enel Group plays a role as strategic partner on the Recovery Plan front, with the aim of driving sustainable, rapid and effective growth through the proposal of projects in line with the missions of individual Recovery and Resilience Plans at national level. In this regard, decrees were signed in 2023 for the Smart Grids and Resilience projects in Italy, totaling 3,500 million euros. In addition to the Recovery, the Enel Group has submitted its project proposals to

In 2023, the Group, through its financial subsidiary, Enel Finance International NV ("EFI"), issued a 1,500 million euros bond on the European market in February, combining, in the 8-year tranche, a KPI linked to the EU Taxonomy with a KPI linked to the UN SDGs. Conversely, the second tranche of the 20-year bond was linked to two KPIs associated with the Group's strategy of complete decarbonization through the reduction of direct and indirect greenhouse gas emissions.

In November 2023, Enel SpA signed a three-year, 1,500 million euros Sustainability-Linked Revolving Credit Facility linked to SDG 13.

In March 2023, Enel Finance International renewed the 8,000 million euros Commercial Paper program, linking it to the KPI "Scope 1 GHG emissions Intensity relating to Power Generation (gCO<sub>2eq</sub>/kWh)" and the KPI "Proportion of Capex aligned to the EU taxonomy (%)".

other opportunities offered at the European level, such as the Innovation Fund, where the Grant Agreement for the Catania Gigafactory was signed, IPCEI (Important Projects of Common European Interest), where projects for the development of Green Hydrogen were submitted, and the CEF, the Connecting Europe Facility, for the development of electric recharging infrastructures.

## International Development Finance

The Group is leading an innovation process intended to accelerate the mobilization of capital to support sustainable growth, through the use of **Sustainability-Linked financial instruments**.

More specifically, in 2023 the Group signed subsidized loans for a total of 1,800 million euros, which include Sus-

tainability-Linked mechanisms related to SDG 13. Among the main transactions is the Sustainability-Linked borrowings totaling USD 800 million from Enel Finance America and EKF (Danish export credit agency), the first Sustainability-Linked borrowings agreement for the latter.

# The European taxonomy

**Enel welcomes the development of the EU taxonomy Regulation 2020/852**, as it provides a standardized, science-based classification system to identify environmentally sustainable economic activities.

The EU taxonomy regulation acts as an important enabler to promote sustainable investments and accelerate the decarbonization of the European economy, while at the same time creating reliability and transparency for investors and supporting companies in planning the Net Zero transition.

**Enel is committed to reporting on the implementation of Article 8 of the EU taxonomy regulation 2020/852.**

Furthermore, Enel is committed on implementing the requirements and criteria in all delegated acts issued by the European Commission by the time of publication of the Sustainability Report. Specifically, this report has been adjusted based on the following regulations:

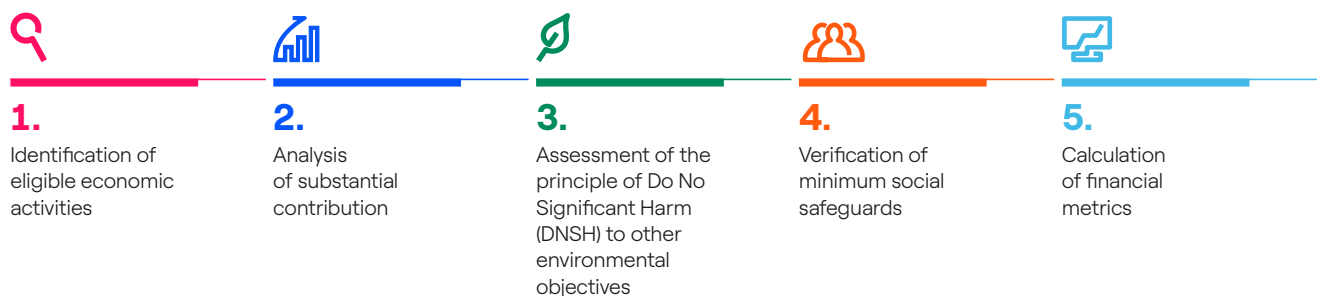
- Delegated Regulation (EU) 2021/2139 of 4 June 2021 (Climate Delegated Act);
- Delegated Regulation (EU) 2021/2178 of 6 July 2021 (Disclosures Delegated Act);

- Delegated Regulation (EU) 2022/1214 of 9 March 2022 (Complementary Climate Delegated Act);
- Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending the Climate Delegated Act;
- Delegated Regulation (EU) 2023/2486 of 27 June 2023 (Environmental Delegated Act).

Going beyond the disclosure requirements of the taxonomy, Enel has included the **Capex alignment** percentage as one of the key performance indicators of the **Sustainability-Linked Financing Framework** used to define the Company's sustainable financial instruments for the second consecutive year. With this important move forward, Enel reinforces the role of the taxonomy as a driver to promote sustainable investment decisions and show how sustainability can be fully integrated into the financial landscape. Consequently, Enel confirmed its target on the proportion of Capex aligned to the EU taxonomy equal to or higher than 80% for the period 2024-2026, according to the new Strategic Plan presented during the Capital Markets Day in November 2023.

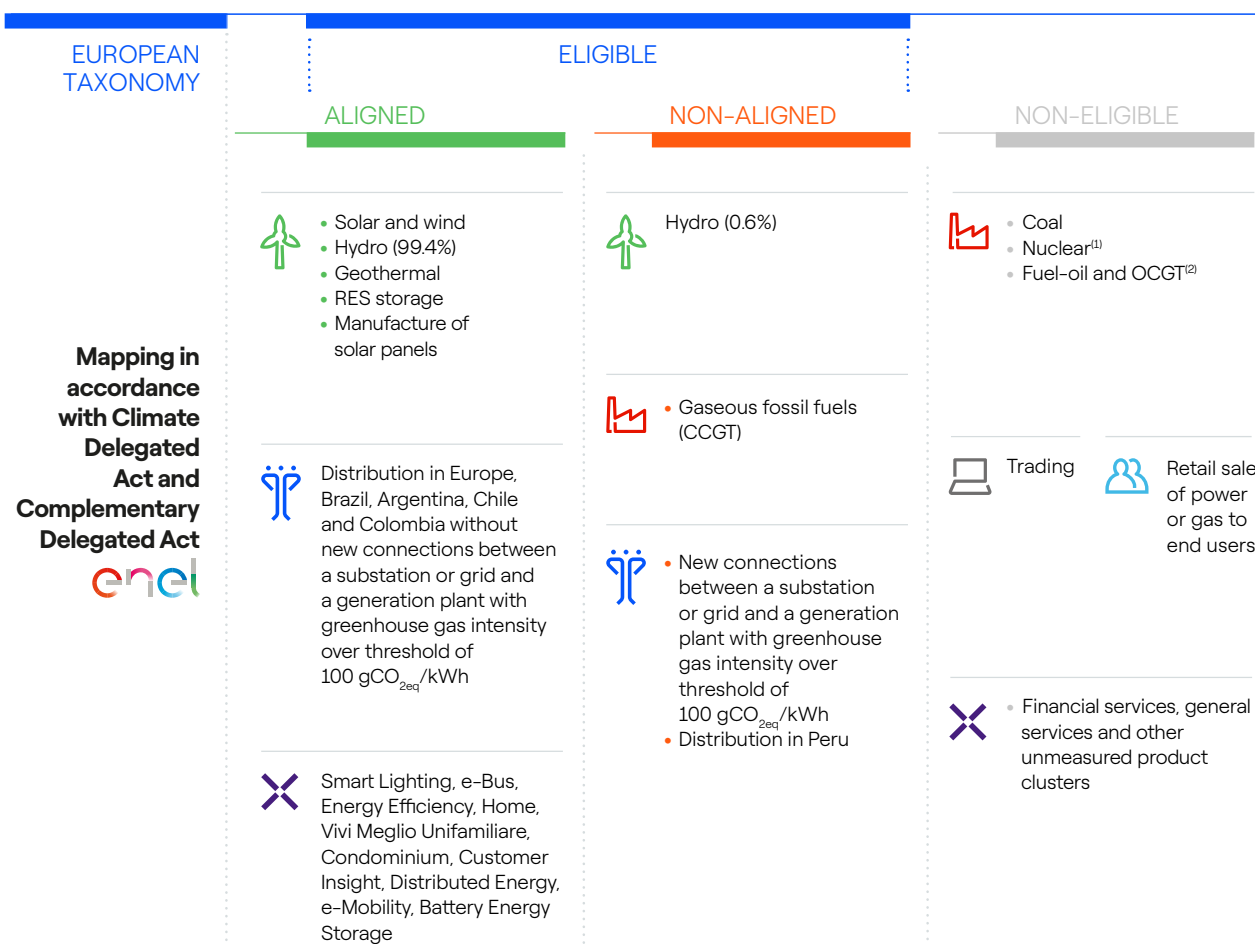
## The implementation process and eligible activities

In 2020, a **structured process for implementing the European taxonomy** based on **5 phases** has been defined:



Through this process, Enel has classified all economic activities along its value chain for their contribution to the climate change mitigation objective, which is the most relevant for the Group, according to the following three categories: eligible aligned, eligible non-aligned, and

non-eligible. However, it is important to note that activities classified as eligible aligned from a climate change mitigation perspective also include adaptation solutions (mainly in the design and construction phase of assets) and are therefore also eligible aligned for this other objective.



- (1) The operation of the nuclear generation portfolio is not included among the eligible activities considered by the Complementary Delegated Act in the generation of electricity from nuclear power plants.
- (2) Includes both fuel-oil and gas (OCGT) as it is not possible to divide the two types of fuel. Fuel-oil was considered to be the prevalent fossil fuel and is therefore non-eligible under the EU taxonomy regulation.

### 2023 percentage of alignment to the European taxonomy of business activities

made possible by their substantial contribution to the climate change mitigation objective, while respecting the principle of Do No Significant Harm (DNSH) to other environmental objectives and the minimum social safeguards

<b>59.7%</b> ORDINARY GROSS OPERATING MARGIN (EBITDA) Year 2022: 56.7%	The EBITDA percentage of eligible taxonomy-aligned business activities increases in 2023 mainly thanks to an increase in the EBITDA of renewable energy production and distribution activities in absolute terms. At the same time, there is a decrease in the EBITDA of the eligible non-aligned activities due to the thermoelectric power generation business from combined cycles, which produced lower energy volumes in 2023 compared to 2022.
<b>33.8%</b> OF TURNOVER Year 2022: 21.4%	In 2023, revenues decreased in absolute terms by 44.8 billion euros compared to 2022. The change is mainly attributable to the lower volumes of electricity produced, the lower quantities of energy sold in the wholesale and retail markets, as well as the decrease in average selling prices of commodities, thus impacting non-eligible and non-aligned activities. At the same time, an increase in revenues related to the production of energy from renewable sources was observed in 2023, resulting in an increase in absolute terms of revenues in aligned activities from 30.6 billion euros in 2022 to 33.1 billion euros in 2023. These phenomena contributed to the increase in the percentage weight of revenues from EU Taxonomy-aligned activities by 12% year-on-year.
<b>84.8%</b> OF CAPITAL EXPENDITURE (CAPEX) Year 2022: 81.9%	The increase recorded in 2023 is mainly due to higher investments in energy storage systems through BESS (Battery Energy Storage Systems) and a reduction in investments in non-eligible or non-aligned thermoelectric technologies. The actual 2023 Capex for eligible aligned assets is 4.0% higher than the Capex planned for 2023 in the Strategic Plan 2023-2025 for the same assets. This change is mainly due to higher investments in absolute terms in eligible aligned renewable and distribution activities than planned (approximately 1.9 billion euros).
<b>68.4%</b> OF OPERATING EXPENDITURE (OPEX) Year 2022: 66.9%	The percentage of Opex of eligible taxonomy-aligned business activities increases in 2023 compared to 2022 mainly due to higher maintenance costs incurred in photovoltaic renewable energy production and taxonomy-aligned distribution activities.

In the chapter "European Taxonomy", in the appendix to the Sustainability Report, details of the steps in the implementation process and the results for each KPI (EBITDA,

turnover, Capex and Opex) and specific tables on nuclear and fossil gas activities as required by the regulations above are provided.

# Sustainability ratings, rankings and benchmarks

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

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

Consequently, **Enel maintains a high performance in the main ESG indexes, ratings and benchmarks, reaching leadership positions in most cases.**

Enel was also evaluated in 2023 in the **Net Zero Company Benchmark** of Climate Action 100+, and ranked in the top 3 on a global level and as a best performer at Electric Utilities sector level, in the **Electric Utilities Benchmark** of the World Benchmarking Alliance (WBA), ranking third in the sector and in the **Renewable Energy & Human Rights benchmark** of Business Human Rights Resource Center (BHRRC), ranking second place among electric utilities.

## INCLUSION IN THE MAIN ESG INDEXES AND RANKINGS IN 2023





## MAIN ESG RATINGS<sup>(1)</sup>

	RATING	RANKING	SECTOR AVERAGE	SCALE (LOW   HIGH)
MSCI	<b>AAA</b>	<b>Top 10 / 140</b> utilities	BBB	CCC   AAA
Sustainalytics ESG Risk Rating	<b>20.8</b> (Medium risk)	<b>31 / 267</b> electric utilities	31.6	100   0
S&P ESG Scores	<b>84</b>	<b>10 / 267</b> electric utilities	35	0   100
CDP	<b>A-</b> (climate) <b>B</b> (water)	-	B B	D-   A
ISS ESG Score	<b>B</b>	-	C	C-   A+
Bloomberg ESG	<b>80</b>	-	-	0   100
Refinitiv ESG Rating	<b>91</b>	<b>2 / 312</b> electric utilities	-	0   100
FTSE Russell ESG Rating	<b>4.9</b>	-	2.7	0   5
Vigeo Eiris ESG Rating	<b>77</b>	-	53	0   100

(1) Scores as of March 31, 2024.



# STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

| 2-29 | 3-1 | 3-2 | 3-3 |

## Stakeholder engagement is a key lever to create shared value in the long term and to pursue a just transition.

In order to capture stakeholder needs and expectations, Enel promotes a continuous, active and open dialog with its stakeholders, through numerous listening initiatives led by the different corporate functions with different roles, levels of engagement and responsibility.

Stakeholders are grouped into categories, classified into three levels. Specifically, the first level includes:

- Business community;
- Customers;
- Financial community;
- Institutions;
- Civil society and local and global communities;

- Media;
- Enel people;
- Suppliers and contractors.

In the chapter “Stakeholder engagement and materiality analysis”, the respective degree of relevance, the type and initiatives of engagement used, the priority issues and the Company’s response methods are reported for each category of stakeholders, internal and external.

The stakeholder engagement process, carried out in line with the Accountability AA1000 Stakeholder Engagement Standard (AA1000SES) and through a dedicated IT system (“**e-mia®: Engagement – materiality & impact analysis**”), supports the process of identifying material topics (the so-called “Materiality analysis”).

## Material topics

| 2-29 | 3-1 | 3-2 | 3-3 |

By engaging the various categories of internal and external stakeholders, the materiality analysis identifies the material topics for Enel, *i.e.*, the environmental, social and governance topics related to the most significant impacts, risks and opportunities for the Group. The results of this analysis guide the definition of objectives to be included in sustainability planning and ensure quality in relations with all Group stakeholders, while also supporting primary users in their decision-making processes.




















The Enel Group’s materiality analysis was developed in line with the GRI 2021 Universal Standard, the Value Reporting Foundation – SASB standard, the SDG Compass, which supports companies in adapting their strategies to the UN SDGs. In recent years, the materiality analysis has been strengthened by taking into account the ongoing regulatory developments at the international level and the requirements introduced at the European level by the

**Corporate Sustainability Reporting Directive (CSRD)**, the **European Sustainability Reporting Standards (ESRS)** and the current proposed guidelines provided by the **European Financial Reporting Advisory Group (EFRAG)**. Regulatory developments have introduced the double materiality perspective, which comprises two dimensions:

- **impact materiality**: which identifies material topics from the perspective of the impacts generated by the Company, *i.e.*, the effects the organization has or could have on the economy, the environment and people;
  - **financial materiality**: which identifies material topics from the perspective of risks and opportunities that affect or could affect a company’s financial position, financial performance and cash flows, access to finance or cost of capital over the short, medium or long term.
- Both dimensions include assessments from a human rights standpoint.

MATERIAL TOPICS (LEVEL I-II) AND  
ESG PRIORITY TOPICS  
FOR STAKEHOLDERS

MATERIAL TOPIC (LEVEL I-II)

ENVIRONMENTAL	 <b>CLIMATE CHANGE</b>  <ul style="list-style-type: none"> <li>• Mitigation: reducing direct GHG emissions (Scope 1)</li> <li>• Reducing GHG emissions of services and products to customers</li> <li>• Adapting to climate change</li> </ul>	 <b>GOVERNANCE AND ADVOCACY FOR NATURE AND CLIMATE</b> <ul style="list-style-type: none"> <li>• Governance and advocacy for nature</li> <li>• Governance and advocacy for climate</li> </ul>	 <b>PRESERVATION OF BIODIVERSITY AND ECOSYSTEMS</b> <ul style="list-style-type: none"> <li>• Protecting biodiversity</li> <li>• Mitigation of impacts on natural heritage</li> <li>• Soil management</li> </ul>	 <b>AIR, WATER AND SOIL QUALITY</b> <ul style="list-style-type: none"> <li>• Pollution reduction</li> </ul>
	 <b>CIRCULAR ECONOMY</b> <ul style="list-style-type: none"> <li>• New life cycles</li> </ul>	 <b>WASTE</b> <ul style="list-style-type: none"> <li>• Non-hazardous waste</li> <li>• Hazardous waste</li> </ul>	 <b>WATER RESOURCES MANAGEMENT</b>  <ul style="list-style-type: none"> <li>• Responsible use of water</li> </ul>	
GOVERNANCE	 <b>BUSINESS CONDUCT AND ETHICS</b> <ul style="list-style-type: none"> <li>• Tax transparency</li> <li>• Legal disputes</li> </ul>			
SOCIAL	 <b>CUSTOMER CENTRICITY</b> <ul style="list-style-type: none"> <li>• Solutions dedicated to customer needs</li> <li>• Quality of customer relations</li> </ul>	 <b>ENGAGING LOCAL AND GLOBAL COMMUNITIES</b> <ul style="list-style-type: none"> <li>• Listening to communities</li> <li>• Supporting the social and economic development of communities</li> </ul>	 <b>HEALTH AND SAFETY</b>  <ul style="list-style-type: none"> <li>• Worker health</li> <li>• Worker health and safety</li> <li>• Health and safety of workers of contractors operating on Enel sites</li> </ul>	 <b>SUSTAINABLE SUPPLY CHAIN</b> <ul style="list-style-type: none"> <li>• Contract execution</li> <li>• Qualification of suppliers and contracting firms</li> <li>• Tendering of suppliers and contracting firms</li> </ul>
	CROSS	 <b>DIGITAL TRANSFORMATION</b> <ul style="list-style-type: none"> <li>• Cyber security</li> </ul>	 <b>ECONOMIC VALUE CREATION</b> <ul style="list-style-type: none"> <li>• Capital balance and soundness</li> <li>• Long-term value creation strategy</li> <li>• Long-term value distribution strategy</li> </ul>	 <b>ELECTRIFICATION OF USES</b>  <ul style="list-style-type: none"> <li>• E-mobility</li> </ul>

 ESG priority topics for stakeholders

Stakeholder engagement and materiality analysis then enable the definition of objectives to be included in sustainability planning and support primary users in their decision-making processes, thereby ensuring the quality of the Group's stakeholder relations.

For further details, see the "[Stakeholder engagement and materiality analysis](#)" chapter of this document.

# SUSTAINABILITY PLAN

The Enel Group aims to increase the Company's flexibility and competitiveness through a greater focus on resources, better allocation of investments, simplification of processes and organization, and a business model focused on sustainability and built to seize the opportunities of an ever-changing environment. Specifically, the 2024-2026 strategy is based on three pillars:

- **Profitability, flexibility and resilience**, through highly selective capital allocation, aimed at optimizing the Group's risk/return profile;
- **Efficiency and effectiveness** as drivers of the Group's operations;
- **Financial and environmental sustainability**, to pursue value creation in addressing the challenges of climate change.

In synergy with the strategy, and taking into account the results of stakeholder engagement and materiality analysis, **Enel defines the Sustainability Plan**, which is broken down into specific short-, medium- and long-term objectives, in order to make the Group's commitment transparent and verifiable and to contribute to the achievement of the United Nations 17 Sustainable Development Goals. Every year, these objectives are updated in accordance with a process of alignment with strategic guidelines, the results achieved and best practices in order to increasingly integrate sustainability along the entire value chain<sup>(4)</sup>.

## Sustainability Plan



(4) The targets are based on the geographic scope and business model to date.

**At the heart of Enel's commitment is the zero emissions ambition by 2040**, according to a roadmap that is in line with the Paris objectives to limit the average global temperature increase to below 1.5 °C compared to pre-industrial values, and with targets certified by the Science Based Targets initiative (SBTi), which cover both direct emissions generated by the Group's plants and indirect emissions produced upstream from suppliers and downstream from customers.

To this end, the Group has planned to exit coal-fired generation by 2027<sup>(5)</sup>, subject to approval by the competent authorities, achieving 100% renewable generation by 2040, thanks also to the exit from thermal generation by the same year. In addition, the exit from gas sales to end customers by 2040 has been confirmed, preserving the needs of customers in the transition phase where gas will still be necessary and, at the same time, pushing for electrification of uses and 100% sales of electricity from renewable sources by 2040.

**The investment plan is in line with the Net Zero targets for 2040**, with:

- more than 80% of Capex aligned to the EU Taxonomy regulation in the three-year period 2024-2026;
- more than 90% of Gross Capex 2024-2026 aligned to the UN Sustainable Development Goals (SDGs), in particular SDGs 7 ("Affordable and clean energy"), 9 ("Industry, innovation and infrastructure") and 11 ("Sustainable cities and communities"), while contributing to SDG 13 ("Climate action"). For additional details, please refer to the chapter "Business drivers".

Furthermore, Enel aims to achieve a sustainable debt ratio of around 70% of the Group's total debt in 2026.

The Group leads the energy transition through decarbonization of power generation, digitalization of distribution networks, and electrification of uses. These represent an opportunity both in terms of value creation and faster achievement of the Paris Agreement objectives as well as the UN-defined Sustainable Development Goals (hereafter SDGs) in 2030 Agenda.

Enel **promotes a just transition**, in line with the principles set out in the International Labour Organization (ILO) Just Transition Guidelines, **based on constant dialogue with its stakeholders, Enel people, suppliers, communities and customers**. In addition to advancing action against climate change, a well-managed transition can help mitigate the associated socio-economic impacts while promoting growth and reducing inequalities.

(5) As far as the conversion of coal-fired plants is concerned, the Group will evaluate the best available technologies, based on the needs indicated by the distribution network operators.



## ZERO EMISSIONS AMBITION



Reduction in Scope 1 GHG emissions intensity relating to Power Generation

**125** gCO<sub>2eq</sub>/kWh in 2026 (-66% vs 2017)

**72** gCO<sub>2eq</sub>/kWh in 2030 (-80% vs 2017)

**0** gCO<sub>2eq</sub>/kWh in 2040 (-100% vs 2017)



Reduction in Scope 1 and 3 GHG emissions intensity relating to Integrated Power

**135** gCO<sub>2eq</sub>/kWh in 2026 (-59% vs 2017)

**73** gCO<sub>2eq</sub>/kWh in 2030 (-78% vs 2017)

**0** gCO<sub>2eq</sub>/kWh in 2040 (-100% vs 2017)



Reduction in absolute Scope 3 GHG emissions relating to Gas Retail

**20.0** MtCO<sub>2eq</sub> in 2026 (-21% vs 2017)

**11.4** MtCO<sub>2eq</sub> in 2030 (-55% vs 2017)

**0** MtCO<sub>2eq</sub> in 2040 (-100% vs 2017)



**>80%** of investments (Capex) planned for 2024-2026 aligned to the European Taxonomy

**>90%** of Gross Capex foreseen in the 2024-2026 Plan aligned to the 4 UN SDGs (7, 9, 11, 13)

**~70%** sustainable sources of finance in 2026 (sustainable debt/total gross debt)

In 2023 Enel was among the first companies to join the Forward Faster Campaign, the UN Global Compact initiative that requires the private sector to commit to more ambitious targets for achieving the SDGs in five priority areas. Specifically, Enel has made commitments on (i) Climate Action, which includes targets linked to reducing emissions in line with the 1.5 °C pathway and to contributing to a just transition (see the chapter “Zero emissions ambition and just transition”), and on (ii) Finance and Investments.

The Group puts **its people** at the center by leveraging their well-being, motivation, sense of responsibility, active participation and the entrepreneurial approach of individuals. It promotes lifelong learning, through programs to improve existing skills in order to access more advanced career paths (upskilling) and to learn new skills (reskilling), while at the same time paying attention to the people involved in the decarbonization process. It also commits to build an inclusive working environment, one capable of enhancing diversity and individual talent, in which everyone can recognize themselves, regardless of race, ethnicity, religion, gender, age, sexual orientation and ability.

**Suppliers are indispensable partners for Enel** to progress sustainably and realize the transformation process of the energy system, which requires change and development in the way work is carried out and goods and services are provided. Suppliers are required not only to guarantee the necessary quality standards and operate in compliance with applicable laws and regulations, but also to commit to adopting best practices in terms of governance, ethics, human rights, health, safety and the environment, in line with the Group’s strategy. Enel works with suppliers to maximize the economic, productive, social and environmental benefits of the transition and strives concretely to create sustainable, innovative and circular processes to mitigate the impact generated by their activities.

**Responsible community relations** are an enabling factor for all sustainability activities. A deep knowledge of the context in which the Group operates allows it to integrate sustainability into its business in order to create synergies between the Company’s needs and those of the local area along the value chain, through the adoption of models that increase and foster collaboration with communities, generating efficiencies and positive impacts from a social, economic and environmental perspective.

**Customers** are an active part of the energy transition, including through increased awareness of their own consumption, efficiency measures, and the electrification and decarbonization options available to them. Enel aims to improve their experience by focusing on caring and listening, to better understand what they need with the aim of

## ENEL PEOPLE



**33.5%** women managers and middle managers in 2026

**>45.0** average training hours *per capita* in 2026

**40.0%** of training hours dedicated to upskilling and reskilling in 2026

## SUPPLIERS

**68%** value of supply contracts covered by Carbon Footprint certifications (EPD, ISO CFP) in 2026

## COMMUNITIES

**6.5** million beneficiaries of projects for communities in the period 2024-2030

## CUSTOMERS



**170** commercial claims (no./10k customers) in 2024

**18** new inclusive products and services in the period 2024-2026

increasing loyalty, taking full advantage of the potential of digital technology for effective interaction. Increased customer loyalty necessarily passes through a service that is of high quality and, above all, customized to enhance the characteristics of the territory in which the Group operates and offer solutions that are more responsive to local needs.

The fight against climate change cannot be separated from a commitment to the conservation of natural capital, which is increasingly impacted by the consequences that climate change is having on biodiversity and ecosystems. This is why Enel continues its commitment to promoting the protection of natural capital, through setting specific targets for reducing impacts, restoring habitats impacted by its activities and sharing the opportunities and benefits associated with ecosystem services with the communities with which it interacts.

In each of its activities, Enel is committed to **respecting human rights** through an integrated and transversal approach that takes into account the needs of stakeholders along the entire value chain.

**Protecting the health and safety** of the Group's people and suppliers is a shared responsibility at every level and represents a constant endeavor to avoid accidents and raise the level of attention in every situation.

In this context, **innovation, digitalization and the circular economy** accelerate the achievement of Enel's sustainable strategy, embracing and transversally enhancing all strategic themes.

**Underpinning all of the Group's activities is a solid governance structure** capable of guaranteeing stakeholders the application of a set of principles, comprising transparency, fairness and integrity, that support Enel's business model and its application on a day-to-day basis.

In the 2023 Sustainability Report, an overview of all the objectives in the 2024-2026 Sustainability Plan is provided at the beginning of each chapter, in the so-called dashboards. Here below an example: the dashboard header represents the link between the material topics, the issues in the Sustainability Plan and the United Nations Sustainable Development Goals,

## NATURE

### Biodiversity **No Net Loss**:

- implementation on selected projects of high biodiversity areas starting from 2025;
- implementation for new infrastructures by 2030.

### **No Net Deforestation** by 2030

**No Go** in areas designated as UNESCO World Heritage Natural Sites<sup>(6)</sup>

## OCCUPATIONAL HEALTH AND SAFETY



**<0.41** in 2024

Injury frequency rate with more than 3 days of absence from work (combined employees and contractor companies)<sup>(7)</sup>

### LEGEND



Target included in the short- or long-term remuneration plan of Top Management



Target included in Sustainability-Linked financial instruments

to which the objectives related to the specific issue contribute directly. Each dashboard then sets out in detail the 2023 results related to the targets of the previous 2023-2025 Sustainability Plan, the resulting progress, and the targets of the 2024-2026 Sustainability Plan, which may be redefined, added to, or outdated with respect to the previous Plan.

### DOUBLE MATERIALITY



#### MATERIAL TOPICS

- Climate change
- Governance and advocacy for nature and climate

### SUSTAINABILITY PLAN PILLAR



ZERO EMISSIONS AMBITION

### SUSTAINABLE DEVELOPMENT GOALS (SDGs)



(6) Commitment to new generation infrastructure.

(7) This index is calculated as a ratio of the number of injuries (with more than 3 days of absence) to hours worked (in millions).





### 3. STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

○ **Context analysis**

to identify and analyze the main current and future ESG megatrends, to limit risks and impacts, and take full advantage of the relevant opportunities.

○ **Engagement of internal and external stakeholders to understand their priorities**

in order to always be open to listening to the individuals or interest groups that are influenced or could be influenced by the organization's activities.

○ **Identification of ESG material topics by "double materiality"**

to identify environmental, social and governance topics that are significant from an impact materiality perspective, a financial materiality perspective or both.

# STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

## Framework

| 2-29 | 3-1 | 3-3 |

**Stakeholder engagement** is a key lever to create shared value in the long term and to pursue a just, responsible and sustainable transition.

In order to grasp stakeholder needs and expectations, Enel promotes a continuous, active and open dialogue with its stakeholders, through numerous listening initiatives led by the different corporate functions with different roles, levels of engagement and responsibility.

By engaging the various categories of internal and external stakeholders, the **materiality analysis** identifies the material topics for Enel, *i.e.*, the environmental, social and governance topics related to the most significant impacts, risks and opportunities for the Group.

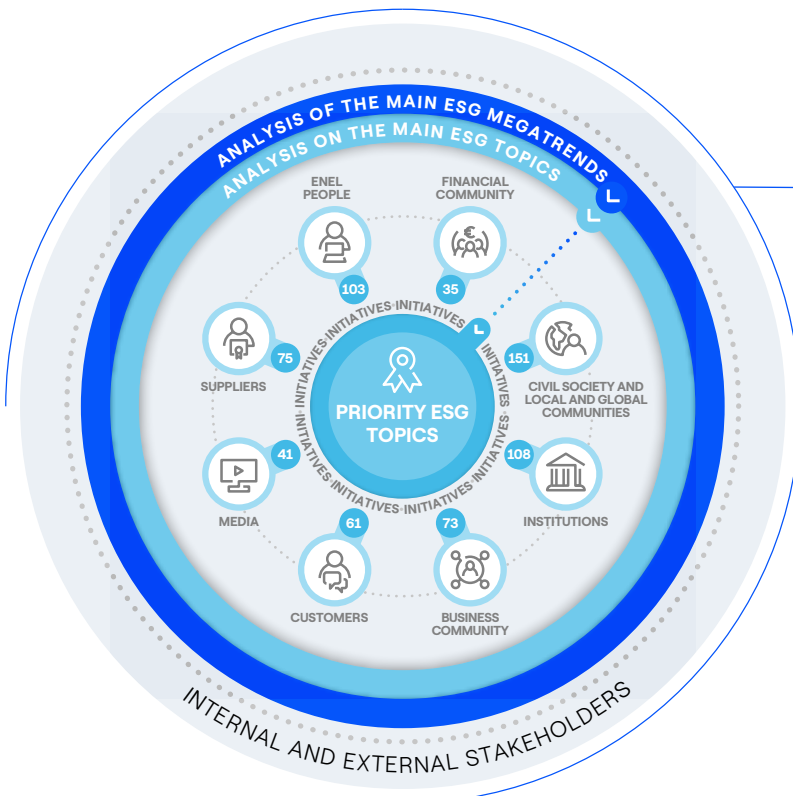
In recent years, the materiality analysis has been strengthened by taking into account the ongoing regulatory developments at the international level and the requirements introduced at the European level by the **Corporate Sustainability Reporting Directive** (CSRD), the **European Sustainability Reporting Standards** (ESRS) and the current

proposed guidelines provided by the **European Financial Reporting Advisory Group** (EFRAG). Regulatory developments have introduced the double materiality perspective, which comprises two dimensions:

- **impact materiality**: which identifies material topics from the perspective of the impacts generated by the Company, *i.e.*, the effects the organization has or could have on the economy, the environment and people;
- **financial materiality**: which identifies material topics from the perspective of risks and opportunities that affect or could affect a company's financial position, financial performance and cash flows, access to finance or cost of capital over the short, medium or long term.

Both dimensions include assessments from a human rights standpoint.

Stakeholder engagement and materiality analysis then enable the definition of objectives to be included in sustainability planning and support primary users in their decision-making processes, thereby ensuring the quality of the relations with the Group's stakeholders.



## UNDERSTANDING THE CONTEXT

- Identification of **the topics** and of **ESG megatrends**
- Identification of **stakeholders**
- Assignment of **relevance** to stakeholders
- Assignment of **priority, satisfaction** and impact to topics for stakeholders



## IDENTIFICATION OF potentially material IMPACTS, RISKS AND OPPORTUNITIES (IROs)

### DOUBLE MATERIALITY

- Evaluation of the **IROs** (Impacts, Risks and Opportunities) by internal and external stakeholders through the perspective of:
  - **IMPACT MATERIALITY**
  - **FINANCIAL MATERIALITY**



## MATERIAL TOPICS

### ENGAGEMENT INITIATIVES

# An engagement initiative (focus group, survey, textual analysis, etc.) may involve several categories of stakeholders.

## Reference standard and governance

The stakeholder engagement process is carried out in line with the provisions of the main reference standard: Accountability AA1000 Stakeholder Engagement Standard (AA1000SES).

The Enel Group's materiality analysis was developed taking into account the GRI 2021 Universal Standard, the Value Reporting Foundation – SASB standard, the SDG Compass, which supports companies in adapting their strategies to the UN SDGs, as well as the EFRAG guidelines currently available.

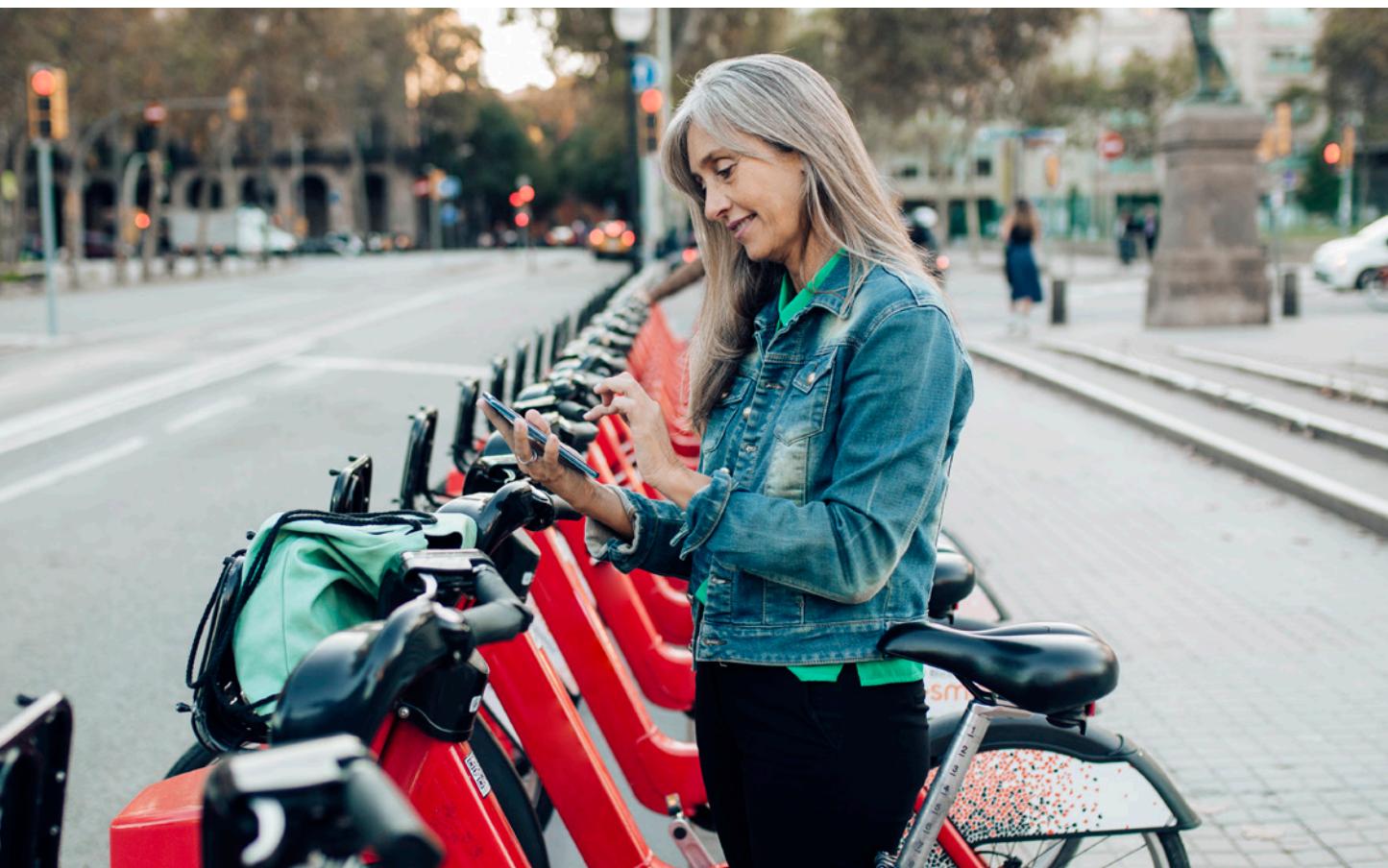
Stakeholder engagement activities to investigate the priorities on ESG topics from a stakeholder perspective and the double materiality analysis are led by the Grids and Innovability – Sustainability Function, which manages and coordinates the process for the Group.

The activities of collecting, aggregating and processing data and information relating to the double materiality analysis and the stakeholder/expert listening initiatives are managed through a dedicated computer system ("e-mia®: Engagement – materiality & impact analysis"), which also allows the best stakeholder engagement and monitoring practices to be shared within the Group in line with the Company's organizational model. The results, which are

updated annually, are presented at both Group and company level, Business Line/Function and site (understood as site under construction/operational), as well as for the different stakeholder categories. Every two years, an analysis is carried out with a view to possibly reviewing the ESG topics and categories of stakeholders so as to take into account any significant changes in the internal and external context of the Company.

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

The analysis of the process related to the definition of the material topics published in the Sustainability Report, as well as the prioritization of the material topics according to the stakeholders' viewpoint, are included in the overall compliance opinion that the Auditing Firm provides regarding Legislative Decree 254 and GRI standards.



# Stakeholder engagement



(1) The analysis of megatrends involved around 100 experts representative of the media, academia, NGOs, etc.

## ENGAGEMENT INITIATIVES

# An engagement initiative (focus group, survey, textual analysis, etc.) may involve several categories of stakeholders.

In order to evaluate the economic, social and environmental challenges, identify the risks, limit their impacts and take full advantage of the relative opportunities, an analysis of the main current and future ESG megatrends was carried out.

Within today's complex scenario, new generation and consumption models are emerging, dictated by ongoing technological and demographic changes, as well as by new economic and geopolitical balances.

Based on the main publications within the electric utilities

sector, an analysis of the sustainability context was carried out, which led to the identification of **13 ESG megatrends (climate change, digital revolution, resource conservation, new economic power, inclusion and equality, urbanization, new governance models, prosperity, new business models, demographic change, future work, new mobility, and customer centricity)**. In addition to influencing the present, these phenomena will also be reflected in the economic, social and environmental dimensions of sustainable development in the future and are often

mutually conditioned and act in combination, reinforcing their individual impact. The technological revolution and digitalization have in several cases accentuated income disparity and the consequent increase in inequalities. Climate change is contributing to displacement of populations from rural to urban areas, and therefore to demographic changes in countries. Conserving resources entails the need to use and adopt technologies with a lower environmental impact.

With the aim of understanding the relevance of the 13 ESG megatrends and targeting the identification of potentially material impacts, risks and opportunities, the Company initiated an engagement activity with stakeholders and ex-

ternal experts, who were asked to assess the relevance – in terms of impact – of each ESG megatrend in three different time horizons: the present, 2030 and 2050.

This activity represented a further opportunity for Enel to build a resilient long-term sustainable strategy, one that takes into account current trends but also future scenarios and challenges to which the Company will need to respond.

The results of the analysis confirm that the most significant ESG megatrends relate to:

- climate change;
- conservation of resources;
- digital transformation.

## Identification of the topics

| 2-29 | 3-1 |

Updating the main ESG megatrends that have emerged has made it possible to align the list of ESG 2023 topics with the changed environment in which the Company operates.

The revision of the list of ESG topics, which takes place at intervals of no more than every two years, was carried out not only by taking into consideration the newly emerged ESG megatrends, but also by considering other factors, such as:

- the topics of greatest interest to sustainability rating agencies;
- sector benchmarking studies;

- sustainability reporting standards (including those defined by EFRAG, e.g., ESRS 1, paragraph RA 16);
- the strategic guidance of the Company as well as input from experts inside and outside the organization.

As a result of the revision, the ESG 2023 topics have been grouped into four categories: environmental topics, social topics, governance topics and cross-cutting ESG topics, and divided into three levels (1st Level, 2nd Level, 3rd Level). In addition, the main changes basically concern the integration of new topics related to the environment and climate change.

## Identification and engagement of stakeholders

| 2-29 |

The stakeholders involved in the 2023 materiality analysis represent the individuals or interest groups that are affected or could be affected by the organization's activities, and who are regularly involved through numerous listening initiatives in order to capture their expectations and identify potential and future impacts.

Consistently with the review conducted on the ESG topics tree, the stakeholder tree is also periodically reviewed so as to keep it in line with the context in which Enel operates.

During the 2023 analysis, also thanks to the support of the various business units responsible for relations with the various stakeholders with which the Company interacts, the updating of the list was completed without substantial changes. The stakeholders are grouped into categories, classified

on three levels, in line with the structure of the topics analyzed. The 1st Level stakeholder categories are the following<sup>(1)</sup>:

- Business community;
- Customers;
- Financial community;
- Institutions;
- Civil society and local and global communities;
- Media;
- Enel people;
- Suppliers and contractors.

(1) Please refer to the table in section "Assignment of priority to the topics by external stakeholders", which shows the stakeholder categories with their respective degree of relevance.

## Assignment of relevance to stakeholders

2-29

The process of assigning relevance to stakeholders, which aims to identify the main ones, involves the engagement of the business units responsible for stakeholder relations, which assess each category according to its relevance to their business, as required by the reference standards. In

2023, Company Management at Business Line and Country level was engaged in a specific questionnaire, in which they were asked to assess the relevance of the different categories above based on to the following parameters:

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

In particular, the analysis carried out at Group level did not reveal any significant changes from the previous year. The relevance of the stakeholders "Enel people" and "Custom-

ers", as strategic players at the center of the sustainability strategy, is therefore confirmed.

## Assignment of priority to the topics by external stakeholders

2-29 | 3-1 | 3-2 | 3-3

Once the topics and stakeholder categories have been identified, weighted by their respective relevance value, stakeholders are involved in the process of assessing ESG topics on which they are asked to rate in terms of priority, satisfaction and the impact that Enel generates or can generate on the economy, the environment and people. The analysis of the priority assigned by the stakeholders to the topics was carried out through the implementation of over 450 engagement initiatives (surveys, focus groups, interviews, document analysis, etc.) of internal and external stakeholders relevant to the Group, involving a total of 20 countries. Less than 1% of the assessments were carried out indirectly, through interviews with the business units responsible for the relationship with the reference stakeholder, demonstrating that the entire analysis process is intended to be as objective as possible. The engagement initiatives used in the materiality analysis are part of the various engagement initiatives carried out during the year by the Group's various units. These initiatives include: customer satisfaction surveys; questionnaires from sustainability rating agencies; customer complaints; relations with analysts and investors, representative and trade asso-

ciations; institutional relations at national and local levels, as well as with trade unions; media monitoring and opinion polls. In some cases, where necessary, *ad hoc* materiality analysis initiatives were implemented, including an online questionnaire for suppliers or focus groups aimed at specific categories of stakeholders.

In 2023, the main 1st Level priorities<sup>(2)</sup> assigned by all internal and external stakeholders for the Group were:

- Climate change;
- Health and safety;
- Water resources management;
- Electrification of uses;
- Resilient grids.

These priorities support the process of identifying the Company's impacts, risks and opportunities (for the connection of priority topics to material topics, see the impacts, risks and opportunities – IRO – table).

The following table shows, for each internal and external stakeholder category identified at 1st Level, the respective degree of relevance, the type and engagement initiatives used, the priority topics and the Company's response methods.



(2) For more details on the topic Climate change see the chapter "Zero emissions ambition and just transition"; on the topic Health and safety see the chapter "Health and safety of people"; on the topic Water resources management see the chapter "Roadmap towards natural capital conservation"; on the topic Electrification of uses see the chapters "Customer centricity" and "Business drivers"; on the topic Resilient grids see the chapter "Business drivers".

# RELEVANCE

**PARAMETERS:**  
**Dependence** importance of the relationship for the stakeholder

**Influence** importance of the relationship for the Company

**Urgency** temporal dimension of the relationship




RELEVANCE	CATEGORY OF 1ST LEVEL STAKEHOLDERS	TYPE OF ENGAGEMENT	NO. <sup>(1)</sup>	ENGAGEMENT INITIATIVE	NO. <sup>(1)</sup>	MAIN PRIORITY TOPICS FOR STAKEHOLDERS	SUSTAINABILITY PLAN				
 <b>ENEL PEOPLE</b>		<b>Qualitative assessment</b>	<b>63</b>	Focus group	<b>38</b>	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Business conduct and ethics</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Sound governance</li> <li>• Innovation</li> </ul>				
				One-on-one interview	<b>7</b>						
				Index analysis	<b>11</b>						
				Survey with focus on ESG topics	<b>3</b>						
				Open response questionnaire	<b>4</b>						
		<b>Surveys</b>	<b>39</b>	Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	<b>39</b>						
		<b>Textual analysis</b>	<b>1</b>	Textual analysis based on external sources	<b>1</b>						
		 <b>CUSTOMERS</b>		<b>Qualitative assessment</b>	<b>47</b>			Focus group	<b>13</b>	<ul style="list-style-type: none"> <li>• Customer centricity</li> <li>• Health and safety</li> <li>• Business conduct and ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Customers</li> <li>• Occupational health and safety</li> <li>• Sound governance</li> </ul>
								One-on-one interview	<b>3</b>		
								Index analysis	<b>6</b>		
Survey with focus on ESG topics	<b>11</b>										
Document analysis	<b>6</b>										
Open response questionnaire	<b>8</b>										
<b>Surveys</b>	<b>11</b>			Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	<b>11</b>						
<b>Textual analysis</b>	<b>3</b>			Textual analysis based on external sources	<b>3</b>						

(1) An engagement initiative could involve multiple stakeholder categories.



Stakeholder relevance increases as color intensity increases






RELEVANCE	CATEGORY OF 1ST LEVEL STAKEHOLDERS	TYPE OF ENGAGEMENT	NO. <sup>(1)</sup>	ENGAGEMENT INITIATIVE	NO. <sup>(1)</sup>	MAIN PRIORITY TOPICS FOR STAKEHOLDERS	SUSTAINABILITY PLAN				
	INSTITUTIONS	Qualitative assessment	80	Focus group	16	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Water management</li> <li>• Preservation of biodiversity and ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>• Zero emissions ambition</li> <li>• Nature</li> </ul>				
				One-on-one interview	30						
				Index analysis	17						
				Survey with focus on ESG topics	8						
				Document analysis	7						
				Open response questionnaire	2						
		Surveys	15	Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	15						
		Textual analysis	13	Textual analysis based on external sources	13						
			FINANCIAL COMMUNITY	Qualitative assessment	26			Index analysis	21	<ul style="list-style-type: none"> <li>• Sound governance</li> <li>• Water resources management</li> <li>• Climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Sound governance</li> <li>• Zero emissions ambition</li> <li>• Nature</li> </ul>
								Survey with focus on ESG topics	4		
								Document analysis	1		
				Surveys	8			Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	8		
				Textual analysis	1			Textual analysis based on external sources	1		
					SUPPLIERS AND CONTRACTORS			Qualitative assessment	43		
		One-on-one interview	13								
Index analysis	8										
Survey with focus on ESG topics	11										
Open response questionnaire	2										
Surveys	30	Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	30								
Textual analysis	2	Textual analysis based on external sources	2								

(1) An engagement initiative could involve multiple stakeholder categories.



Stakeholder relevance increases as color intensity increases

RELEVANCE	CATEGORY OF 1ST LEVEL STAKEHOLDERS	TYPE OF ENGAGEMENT	NO. <sup>(1)</sup>	ENGAGEMENT INITIATIVE	NO. <sup>(1)</sup>	MAIN PRIORITY TOPICS FOR STAKEHOLDERS	SUSTAINABILITY PLAN				
	CIVIL SOCIETY AND LOCAL AND GLOBAL COMMUNITIES	Qualitative assessment	115	Focus group	33	<ul style="list-style-type: none"> <li>Climate change</li> <li>Preservation of biodiversity and ecosystems</li> <li>Resilient grids</li> </ul>	<ul style="list-style-type: none"> <li>Zero emissions ambition</li> <li>Nature</li> <li>A safer, more resilient and digitalized power grid</li> </ul>				
				One-on-one interview	37						
				Index analysis	18						
				Survey with focus on ESG topics	7						
				Document analysis	9						
				Open response questionnaire	11						
		Surveys	23	Surveys sent directly by the e-mia® system for assessment of ESG priority topics	23						
		Textual analysis	13	Textual analysis based on external sources	13						
			MEDIA	Qualitative assessment	39			Focus group	7	<ul style="list-style-type: none"> <li>Customer centricity</li> <li>Innovation</li> <li>Digital transformation</li> </ul>	<ul style="list-style-type: none"> <li>Customers</li> <li>Innovation</li> <li>Digitalization</li> </ul>
								One-on-one interview	4		
								Index analysis	18		
								Survey with focus on ESG topics	7		
Document analysis	2										
Open response questionnaire	1										
Surveys	2			Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	2						
	BUSINESS COMMUNITY			Qualitative assessment	59	Focus group	22	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Climate change</li> <li>Sustainable supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Zero emissions ambition</li> <li>Suppliers</li> </ul>		
						One-on-one interview	6				
						Index analysis	19				
		Survey with focus on ESG topics	7								
		Document analysis	2								
		Indirect survey	1								
		Open response questionnaire	2								
		Surveys	9	Surveys sent directly by the e-mia® system for assessment of ESG topic priorities	9						
		Textual analysis	5	Textual analysis based on external sources	5						

(1) An engagement initiative could involve multiple stakeholder categories.



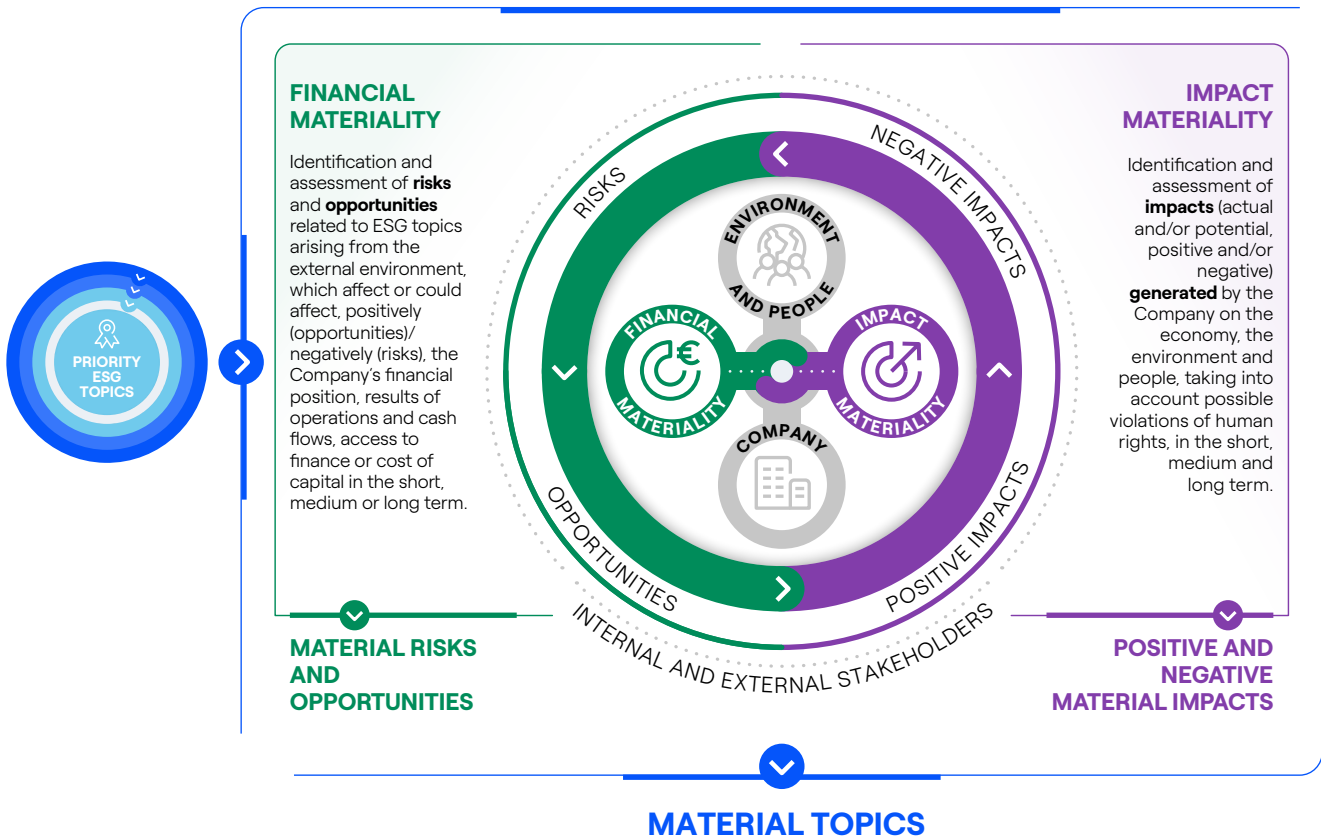
Stakeholder relevance increases as color intensity increases

# Double materiality

3-1 | 3-2 | 3-3

## DOUBLE MATERIALITY ANALYSIS

e-mia Engagement, Materiality & Impact Analysis



## Identification of potentially material IROs

Enel **identifies potentially material impacts, risks and opportunities (IROs)** related to sustainability issues, taking into account the main standards, including GRI's Universal Standards and the sustainability reporting standards issued by EFRAG (see the list of sustainability issues in ESRS 1, paragraph AR16), as well as the outcome of the human rights due diligence perceived risk assessment<sup>(3)</sup> and the activities described above that contribute to understanding the context in which the Company operates (ESG megatrend analysis and priorities provided by external stakeholders). In addition, the Company's internal stakeholders contribute to the process of defining IROs, since, through their own activities, they manage the relationship with external stakeholders, knowing the potential impacts, risks and opportunities which might affect them

or the organization.

Therefore, the external context in which the Group operates, including the Company's business activities and relationships, is taken into account in the identification of impacts, while the definition of risks and opportunities considers how these may arise from the impacts generated by the Company, *i.e.*, the existence of dependencies on natural and social resources as sources of potential positive and/or negative financial effects.

The list of **potentially material IROs** related to ESG topics (approximately 180 IROs were mapped in 2023) is considered the basis for internal stakeholder assessment, with the aim of determining the **material impacts, risks and opportunities** from which the corresponding **material topics** are derived.

(3) For additional details, see the chapter "Managing human rights".

## Evaluation of IROs

Potentially material IROs relating to sustainability issues were subjected to assessment by internal and external stakeholders relevant to the Group, involving a total of 16 countries, to determine material impacts – the so-called

impact materiality – and material risks and opportunities – the so-called financial materiality. The methodology applied is outlined below.

### a) Impact materiality

Impact materiality analysis consists of assessing the impacts generated by the Company on the economy, the environment and people, both negative (taking into account any human rights violations), and positive (evaluating the contribution to sustainable development). An ESG topic is therefore material, from the point of view of impact materiality, if it concerns material impacts (actual or potential, positive or negative) of the Company on people or the environment in the short, medium or long term.

Enel has been conducting the analysis of **impact materiality** since 2019 and over the years, taking into consideration the main reference standards available, such as those defined by GRI and EFRAG, it has strengthened the methodology adopted.

In particular, potentially material generated impacts were assessed on the basis of the following characteristics:

- negative (potential and/or actual):
  - scale: how severe the impact is or could be;
  - scope: how widespread the impact is or could be;

- irremediable character: how difficult it is or could be to counteract or repair the resulting damage;
- the likelihood in case of potential impact<sup>(4)</sup>;
- positive (potential and/or actual):
  - scale: how the impact can or could have positive effects;
  - scope: how widespread the impact is or could be;
  - the likelihood in case of potential impact.

On the basis of the characteristics described above, a workflow of questions was developed in the proprietary e-mia system to guide internal stakeholders, involved in the process, in the assessment of their own impacts. These evaluations make it possible to define a final score for each impact (expressed as a percentage from 1 to 100). On the scores thus obtained, the appropriate quanti-qualitative thresholds are applied to define the material impacts (see section “Material topics”).

### b) Financial materiality

**Financial materiality** analysis consists in identifying and assessing risks and opportunities related to ESG topics arising from the external environment, which affect or could affect, positively (opportunity)/negatively (risk), the Company’s financial position, results of operations and cash flows, access to finance or cost of capital in the short, medium or long term.

Such information is particularly relevant for investors (so-called “primary users”) because, if omitted, misrepresented or obscured, it could reasonably influence their investment choices and decisions.

Enel already conducted the financial materiality assessment in 2022 and in 2023, taking into consideration the changes introduced by the main European standard of reference available issued by EFRAG, it has strengthened the methodology adopted. Furthermore, financial materiality was also developed considering the relevance of ESG topics according to the SASB Standard in relation to Enel’s

primary area of reference: “Electric Utilities & Power Generators Sector”.

In particular, potentially material risks and opportunities were assessed on the basis of the following characteristics:

- potential magnitude of financial effects;
- likelihood of occurrence.

On the basis of the characteristics described above, a workflow of questions was developed in the proprietary e-mia system to guide internal stakeholders, involved in the process, in the assessment of risks/opportunities within their remit. These evaluations make it possible to define a final score for each risk/opportunity (expressed as a percentage from 1 to 100). On the scores thus obtained, the appropriate quanti-qualitative thresholds are applied to define the material risks/opportunities (see section “Material topics”).

(4) For potential impacts, the likelihood is considered together with the severity of the impacts. However, in the case of potential negative impacts on human rights, as specified in ESRS 1, paragraph 45, severity prevails over likelihood in identifying material topics.




# Material topics








3-1 | 3-2 | 3-3







The double materiality analysis allows the Company to identify material environmental, social and governance topics that are significant from an impact materiality perspective, a financial materiality perspective or both (see tables below). In order to assess the materiality of impacts, risks and opportunities, and thus material ESG topics, appropriate quanti-qualitative thresholds are applied to the final values obtained from the assessment of all potential material IROs. The EFRAG guidelines, as they stand, do not mention how the threshold should be applied, leaving it up to companies to decide how to apply a “judgement” metric that allows them to define material impacts, risks and opportunities. Enel has chosen to apply a threshold that ensures a fair and equitable representation of IROs, favor-

ing maximum transparency especially on the most sensitive topics for the sector to which the Company belongs. In support of this approach, Enel has also applied the “judgement” criterion, referred to in the regulations, according to which the materiality of IROs is also defined on the basis of facts and circumstances specific to the Company.

The identification of material ESG topics allows the Company to focus on defining the best way to manage both negative generated impacts and risks, as well as the enhancement of opportunities. Therefore, if the double materiality analysis guides the identification of the material topics, the priority topics direct the Company’s further efforts to pursue the strategic choices.









MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI	SUSTAINABILITY PLAN
 <b>CLIMATE CHANGE</b>	<b>Mitigation: reducing direct GHG emissions (Scope 1)</b>	<ul style="list-style-type: none"> <li>Renewable capacity development (solar, wind, biomass, geothermal, mini-hydro)</li> <li>Coal phase-out</li> <li>Gas phase-out</li> </ul>	<ul style="list-style-type: none"> <li>GRI 303: Water and effluents</li> <li>GRI 304: Biodiversity</li> <li>GRI 305: Emissions</li> <li>GRI 305-1: Direct greenhouse gas (GHG) emissions (Scope 1)</li> <li>GRI 305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3)</li> </ul>	<ul style="list-style-type: none"> <li>Zero emissions ambition</li> </ul>
	<b>Reducing GHG emissions of services and products to customers</b>	<ul style="list-style-type: none"> <li>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for homes and condominiums</li> <li>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for cities</li> <li>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for industries</li> <li>Reducing CO<sub>2</sub> emissions due to e-mobility</li> </ul>	<ul style="list-style-type: none"> <li>EU1: Installed capacity, broken down by primary energy source and regulatory regime</li> <li>DMA EU (former EU6): Management approach to ensure energy availability and reliability in the short and long term</li> </ul>	
	<b>Adapting to climate change</b>	<ul style="list-style-type: none"> <li>Adapting to extreme weather</li> </ul>	<ul style="list-style-type: none"> <li>EU12: Transmission and distribution losses as a percentage of total energy</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>EU28: Frequency of power outages</li> <li>EU29: Average duration of power outage</li> </ul>	
 <b>GOVERNANCE AND ADVOCACY FOR NATURE AND CLIMATE</b>	<b>Governance and advocacy for nature</b>	<ul style="list-style-type: none"> <li>Certified environmental management system</li> <li>Environmental policies</li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-22: Statement on sustainable development strategy</li> <li>GRI 2-23: Policy commitments</li> <li>GRI 2-24: Embedding policy commitments</li> <li>GRI 2-27: Compliance with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Nature</li> <li>Zero emissions ambition</li> </ul>
	<b>Governance and advocacy for climate</b>	<ul style="list-style-type: none"> <li>Climate policy</li> </ul>		
 <b>PRESERVATION OF BIODIVERSITY AND ECOSYSTEMS</b>	<b>Protecting biodiversity</b>	<ul style="list-style-type: none"> <li>Conservation and promotion of the local natural heritage</li> </ul>	<ul style="list-style-type: none"> <li>GRI 304: Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Nature</li> </ul>
	<b>Mitigation of impacts on natural heritage</b>	<ul style="list-style-type: none"> <li>Optimizing dependencies and opportunities of impacts on ecosystem services</li> <li>Optimizing dependencies and opportunities of impacts of ongoing operations on biodiversity</li> <li>Noise management and mitigation</li> <li>Managing and mitigating visual impact</li> </ul>		
	<b>Soil management</b>	<ul style="list-style-type: none"> <li>Reducing land use</li> <li>Restoring degraded soils</li> </ul>		

MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI	SUSTAINABILITY PLAN
ENVIRONMENTAL	 AIR, WATER AND SOIL QUALITY	<b>Pollution reduction</b> <ul style="list-style-type: none"> <li>Reducing emissions into the air (excluding CO<sub>2</sub>)</li> <li>Protection, monitoring and remediation of soil, subsoil and groundwater</li> <li>Discharge management</li> </ul>	<ul style="list-style-type: none"> <li>GRI 303-4: Water discharge</li> <li>GRI 304: Biodiversity</li> <li>GRI 305-6: Emissions of ozone-depleting substances (ODS)</li> <li>GRI 305-7: Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>) and other relevant air emissions</li> </ul>	<ul style="list-style-type: none"> <li>Nature</li> <li>Zero emissions ambition</li> </ul>
	 CIRCULAR ECONOMY	<b>New life cycles</b> <ul style="list-style-type: none"> <li>Reuse</li> <li>Regeneration</li> <li>Recycling</li> </ul>	<ul style="list-style-type: none"> <li>GRI 301-2: Recycled input materials used</li> <li>GRI 306-4: Waste not sent to landfill</li> </ul>	<ul style="list-style-type: none"> <li>Circular economy</li> </ul>
	 WASTE	<b>Non-hazardous waste</b> <ul style="list-style-type: none"> <li>Non-hazardous waste from operations and maintenance (O&amp;M)</li> <li>Non-hazardous waste from construction activities</li> </ul>	<ul style="list-style-type: none"> <li>GRI 306: Waste</li> <li>GRI 306-3: Waste generated</li> <li>GRI 306-4: Waste not sent to landfill</li> <li>GRI 306-5: Waste sent to landfill</li> </ul>	<ul style="list-style-type: none"> <li>Nature</li> </ul>
		<b>Hazardous waste</b> <ul style="list-style-type: none"> <li>Hazardous waste from operations and maintenance (O&amp;M)</li> <li>Hazardous waste from construction activities</li> </ul>		
 WATER RESOURCES MANAGEMENT	<b>Responsible use of water</b> <ul style="list-style-type: none"> <li>Treatment, recycling and use of wastewater</li> <li>Reducing water consumption</li> <li>Managing water resource availability</li> </ul>	<ul style="list-style-type: none"> <li>GRI 303-3: Water withdrawal</li> <li>GRI 303-4: Water discharge</li> <li>GRI 303-5: Water consumption</li> </ul>	<ul style="list-style-type: none"> <li>Nature</li> </ul>	
GOVERNANCE	 BUSINESS CONDUCT AND ETHICS	<b>Tax transparency</b> <ul style="list-style-type: none"> <li>Tax transparency</li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-22: Statement on sustainable development strategy</li> <li>GRI 2-23: Policy commitments</li> <li>GRI 2-24: Embedding policy commitments</li> <li>GRI 205-1: Operations assessed to determine corruption risks</li> <li>GRI 205-2: Communication and training on anti-corruption regulations and procedures</li> <li>GRI 205-3: Confirmed incidents of corruption and measures taken</li> <li>GRI 206-1: Legal actions relating to anticompetitive behavior, trust activities and monopolistic practices</li> <li>GRI 207-1: Approach to taxes</li> <li>GRI 207-2: Tax governance, control and risk management</li> <li>GRI 415-1: Political contributions</li> </ul>	<ul style="list-style-type: none"> <li>Sound governance</li> </ul>
	<b>Legal disputes</b> <ul style="list-style-type: none"> <li>Legal proceedings</li> </ul>			
SOCIAL	 CUSTOMER CENTRICITY	<b>Solutions dedicated to customer needs</b> <ul style="list-style-type: none"> <li>Affordability of tariffs and flexibility of payments</li> <li>Availability of energy-efficient products and services</li> </ul>	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>DMA EU (former EU24): Practices to address language, cultural, low-literacy, and disability-related barriers, access to and safe use of electricity, and customer support services</li> </ul>	<ul style="list-style-type: none"> <li>Customers</li> </ul>
		<b>Quality of customer relations</b> <ul style="list-style-type: none"> <li>Customer awareness of efficient and sustainable energy use</li> <li>Effective and fair relationship with customers</li> </ul>		
	<b>Listening to communities</b> <ul style="list-style-type: none"> <li>Dialogue, sharing and engagement in common objectives</li> <li>Dispute management and grievance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>GRI 203-1: Investment in infrastructure and services supported</li> <li>GRI 413: Local communities</li> <li>GRI 413-1: Operations with local community engagement</li> </ul>	<ul style="list-style-type: none"> <li>Communities</li> </ul>	
	 ENGAGING LOCAL AND GLOBAL COMMUNITIES	<b>Supporting the social and economic development of communities</b> <ul style="list-style-type: none"> <li>Employment development in the areas of presence</li> <li>Supporting families and local services</li> </ul>	<ul style="list-style-type: none"> <li>DMA EU (former EU19): Stakeholder engagement in decision-making on energy planning and infrastructure development</li> <li>EU22: Number of people physically or economically displaced and compensation, broken down by project type</li> <li>DMA EU (former EU20): Approach to managing the impacts of displacement</li> <li>EU25: Number of injuries and deaths among the public involving company assets, including legal rulings, settlements, and pending illness lawsuits</li> </ul>	

MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI	SUSTAINABILITY PLAN
<b>SOCIAL</b>  <b>HEALTH AND SAFETY</b>  <b>SUSTAINABLE SUPPLY CHAIN</b>	<b>Worker health</b>	<ul style="list-style-type: none"> <li>Promoting worker health</li> </ul>	<ul style="list-style-type: none"> <li>GRI 403: Occupational health and safety</li> <li>GRI 410: Safety practices</li> </ul>	<ul style="list-style-type: none"> <li>Occupational health and safety</li> </ul>
	<b>Worker health and safety</b>	<ul style="list-style-type: none"> <li>Managing and monitoring worker safety</li> <li>Promoting a safety culture among workers</li> <li>Care for the mental and physical safety of workers</li> </ul>		
	<b>Health and safety of workers of contractors operating on Enel sites</b>	<ul style="list-style-type: none"> <li>Managing and monitoring contractor safety</li> <li>Promoting a culture of safety among workers of contractors who operate at Enel sites</li> </ul>		
	<b>Contract execution</b>	<ul style="list-style-type: none"> <li>Promoting respect for just and favorable working conditions and non-discrimination in relations with suppliers and contractors</li> </ul>	<ul style="list-style-type: none"> <li>GRI 204: Procurement practices</li> <li>GRI 204-1: Proportion of expenses paid to local suppliers</li> <li>GRI 308: Supplier Environmental Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers</li> </ul>
	<b>Qualification of suppliers and contracting firms</b>	<ul style="list-style-type: none"> <li>Qualification of suppliers and contracting firms based on occupational health and safety, human rights, and environmental impact criteria</li> </ul>	<ul style="list-style-type: none"> <li>GRI 308-1: New suppliers selected using environmental criteria</li> <li>GRI 407-1: Activities and suppliers where the right to freedom of association and collective bargaining may be at risk</li> </ul>	
	<b>Tendering of suppliers and contracting firms</b>	<ul style="list-style-type: none"> <li>Preparing calls for tenders aimed at promoting sustainable practices</li> </ul>	<ul style="list-style-type: none"> <li>GRI 414: Supplier Social Assessment</li> <li>GRI 414-1: New suppliers selected using social criteria</li> <li>GRI 414-2: Negative social impacts in the supply chain and actions taken</li> </ul>	
<b>CROSS</b>  <b>DIGITAL TRANSFORMATION</b>  <b>ECONOMIC VALUE CREATION</b>  <b>ELECTRIFICATION OF USES</b>  <b>RESILIENT GRIDS</b>	<b>Cyber security</b>	<ul style="list-style-type: none"> <li>Strategy and management models for cyber security</li> <li>Cyber security culture</li> </ul>	<ul style="list-style-type: none"> <li>The material topic is not currently covered by a specific GRI</li> </ul>	<ul style="list-style-type: none"> <li>Digitalization</li> </ul>
	<b>Capital balance and soundness</b>	<ul style="list-style-type: none"> <li>Capital structure balance</li> </ul>	<ul style="list-style-type: none"> <li>GRI 201: Economic performance</li> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>	<ul style="list-style-type: none"> <li>Zero emissions ambition</li> <li>Business drivers</li> </ul>
	<b>Long-term value creation strategy</b>	<ul style="list-style-type: none"> <li>Business Ownership model</li> </ul>	<ul style="list-style-type: none"> <li>GRI 2-6: Activities, value chain and other business relationships</li> </ul>	
	<b>Long-term value distribution strategy</b>	<ul style="list-style-type: none"> <li>Operating costs of the business (including payments to suppliers)</li> <li>Community investments</li> </ul>		
	<b>E-mobility</b>	<ul style="list-style-type: none"> <li>Development of Vehicle-Grid Integration</li> <li>Deployment of infrastructures for e-mobility</li> <li>Public e-mobility</li> </ul>	<ul style="list-style-type: none"> <li>The material topic is not currently covered by a specific GRI</li> </ul>	<ul style="list-style-type: none"> <li>Electrification of uses</li> </ul>
<b>Operational management of grids</b>	<ul style="list-style-type: none"> <li>Grid maintenance</li> </ul>	<ul style="list-style-type: none"> <li>DMA EU12: Transmission and distribution losses as a percentage of total energy</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>EU28: Frequency of power outages</li> <li>EU29: Average duration of power outage</li> </ul>	<ul style="list-style-type: none"> <li>A safer, more resilient and digitalized power grid</li> </ul>	




# POSITIVE MATERIAL IMPACTS

MATERIAL IMPACT		TYPE	DURATION <sup>(1)</sup>	IMPACT MANAGEMENT
Adopting a tax strategy (set of principles and guidelines based on values of transparency and legality) by Group companies to ensure fair, responsible and transparent tax contributions		Actual		The tax strategy was approved by the Enel SpA Board of Directors in 2017 and its implementation is mandatory for all Group companies. Its implementation is further ensured by a dedicated organizational policy. The tax strategy, its principles and the results of their application are published in a dedicated section of Enel's website, as well as in several corporate reports (e.g., the Tax Transparency Report).
Increase in investments/financial resources to support the energy transition and low-carbon technologies		Actual		The Enel Group is pursuing a strategy with investments allocated efficiently by focusing on key infrastructure for grid development, with the aim of improving quality and resilience, and making the most of technological developments and opportunities for generation from renewable sources. The goal is to pursue value creation by addressing the challenges of climate change, promoting electrification of consumption, and improving end-customer management.
Mitigating climate change by reducing absolute greenhouse gas emissions from the thermoelectric phase-out		Actual		Enel has made a commitment to complete the decarbonization process of its entire value chain by 2040, in line with the goals of the Paris Agreement (COP 21) to limit the average global temperature increase to 1.5 °C. To this end, Enel has constructed a roadmap that includes mid-term targets to 2030 (compared to the 2017 base year levels) certified by the Science Based Targets initiative (SBTi) in line with the 1.5 °C pathway: in particular, the Company has committed to 100% renewable energy generation by 2040 with an intermediate target of at least 80% of installed renewable capacity by 2030 and coal phase-out by 2027.
Contribution to reducing health problems in local communities through coordination with local health authorities		Actual		Managing relations with communities and other stakeholders is a key factor in all Enel Group activities for establishing strong and lasting relationships with communities, including local, indigenous and tribal peoples, through broad, inclusive and ongoing dialogue based on clear phases of stakeholder engagement, and in line with the relevant international standards (such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises). This approach is integrated into the business. In fact, the Enel Group pursues the economic and social development of the context in which it operates through numerous sustainability projects, generating an increasing number of beneficiaries. This includes the projects carried out with local health authorities to ensure and improve the state of well-being and health of the context in which Enel operates.
Promoting the electrification of cities through the availability of e-mobility infrastructure and technology		Actual		For the Enel Group, the electrification of transport is one of the keys to decarbonizing consumption, using digitalization as an accelerator for the development of increasingly innovative, flexible and integrated services. In this context, e-mobility plays a fundamental role as demonstrated by the constant spread of new services and products, such as charging points for electric vehicles throughout the country.



(1) Duration:  Short term  Medium term  Long term  
 (2) "-" is reported where the material topic is not currently covered by a specific GRI

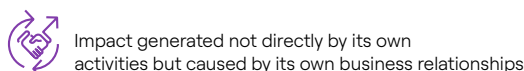
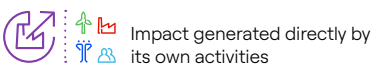
 ESG priority topics for stakeholders






 IRO related to human rights








VALUE CHAIN	MAIN STAKEHOLDERS INVOLVED	MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
	Communities	<b>Business conduct and ethics</b>	Tax transparency	Tax transparency	<ul style="list-style-type: none"> <li>GRI 207-1: Approach to taxes</li> <li>GRI 207-2: Tax governance, control and risk management</li> </ul>
	Communities	<b>Economic value creation</b>	Long-term value creation strategy	Business Ownership model	<ul style="list-style-type: none"> <li>GRI 201: Economic performance</li> <li>GRI 2-6: Activities, value chain and other business relationships</li> </ul>
	Planet	<b>Climate change</b>	 Mitigation: reducing direct GHG emissions (Scope 1)	Coal phase-out Gas phase-out	<ul style="list-style-type: none"> <li>GRI 305-1: Direct greenhouse gas (GHG) emissions (Scope 1)</li> </ul>
	Communities	<b>Engaging local and global communities</b>	Supporting the social and economic development of communities	Supporting families and local services	<ul style="list-style-type: none"> <li>GRI 203-1: Investment in infrastructure and services supported</li> <li>GRI 413: Local communities</li> <li>EU25: Number of injuries and deaths among the public involving company assets, including legal rulings, settlements, and pending illness lawsuits</li> </ul>
	Customers	<b>Electrification of uses</b>	 E-mobility	Development of Vehicle-Grid Integration Deployment of infrastructures for e-mobility Public e-mobility	_(2)

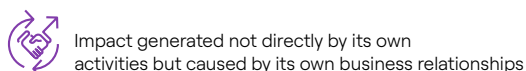
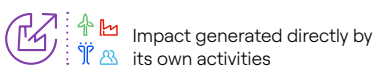


MATERIAL IMPACT		TYPE	DURATION <sup>(1)</sup>	IMPACT MANAGEMENT
Commitment to reducing air pollutant emissions (other than CO <sub>2</sub> ) through ongoing monitoring and improvement programs to prevent accidental events and uncontrolled dispersion		Actual		<p>The Group has set significant reduction targets for 2030 for specific pollutants emitted into the atmosphere, in line with the Group's SB-Ti-certified process of reducing GHG emissions to complete the process of decarbonization and coal phase-out.</p> <p>For the Enel Group, reducing the environmental impacts associated with plant operation is a strategic objective, which it pursues through the application of the best technologies available and best international practices. 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.</p>
Commitment to biodiversity through initiatives to protect and restore habitats and natural capital, particularly in protected areas and with respect for threatened species, and adopting location and design criteria to guarantee No Net Deforestation, No Go in natural UNESCO World Heritage sites and no net loss of biodiversity		Actual		<p>In environmental and natural ecosystems, Enel is implementing suitable actions to protect, restore, and conserve biodiversity, in species and natural habitats, respecting the principle of mitigation hierarchy (avoid, minimize, restore, and compensate), as well as suitable terrestrial, marine, and river monitoring activities to check the effectiveness of the measures taken. In this context, the Group recognizes that protecting the environment and natural resources, combating climate change and contributing to sustainable economic development are strategic factors in the planning, operation and development of its activities. This commitment is enshrined in the Group's Biodiversity Policy. Enel plays an active part in the international debate with stakeholders and in the networks with the most influence in natural and biodiversity issues (such as Business for Nature, Taskforce on Nature-related Financial Disclosures, World Business Council for Sustainable Development and Science Based Targets for Nature). Enel implements programs and plans for the prevention, mitigation and recovery of impacts on ecosystems and natural habitats at all critical and/or significant sites for all its assets.</p>
Commitment to waste management through circularity improvement programs and over-compliance goals to reduce waste generation with a view to life cycles		Actual		<p>The Enel Group applies the principles of the circular economy throughout the life cycle of assets: from the design stages, including by engaging the supply chain, through to utilization and end-of-life management, with the aim of maximizing asset and material recovery (through recycling or reuse for example).</p> <p>Enel pursues the goal of generating economic value from its business activities by reducing the use of raw materials and fuels. To monitor this circularity objective, Enel has developed a KPI "Economic Circularity", which takes the Group's overall EBITDA (in euros) and compares it with the amount of resources consumed, both fuel and raw materials, throughout the value chain by the various business activities (expressed in tons). Enel has committed to doubling its performance in relation to this KPI by 2030 compared to 2020, <i>i.e.</i>, to halve the amount of resources consumed compared to the EBITDA generated.</p>

(1) Duration:  Short term  Medium term  Long term  
(2) "-" is reported where the material topic is not currently covered by a specific GRI






 ESG priority topics for stakeholders  IRO related to human rights

VALUE CHAIN	MAIN STAKEHOLDERS INVOLVED	MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
	Planet	<b>Air, water and soil quality</b>	Reducing pollution	Reducing emissions into the air (excluding CO <sub>2</sub> )	<ul style="list-style-type: none"> <li>GRI 305-6: Emissions of ozone-depleting substances (ODS)</li> <li>GRI 305-7 Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>) and other relevant air emissions</li> </ul>
	Planet	<b>Preservation of biodiversity and ecosystems</b>	Protecting biodiversity	Conservation and promotion of the local natural heritage	<ul style="list-style-type: none"> <li>GRI 304: Biodiversity</li> </ul>
	Planet	<b>Circular economy</b>	New life cycles	Reuse Regeneration Recycling	<ul style="list-style-type: none"> <li>GRI 301-2: Recycled input materials used</li> <li>GRI 306-4: Waste not sent to landfill</li> </ul>





# NEGATIVE MATERIAL IMPACTS

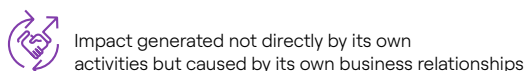
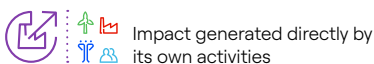
MATERIAL IMPACT	TYPE	DURATION <sup>(1)</sup>	IMPACT MANAGEMENT
Procurement of goods and services from activities tied to potential human rights violations (e.g., exploitation of unskilled and low-paid workers) 	Actual		Supplier services must adopt best practices according to the highest standards of sustainability, as well as ensure the necessary quality standards. Therefore, partner selection and contract execution are subject to analysis and monitoring activities throughout the entire procurement process. The supplier qualification system includes distinct pathways, which combine the risk level identified and Countries qualified for, with a sustainability assessment on health and safety, environment and human rights, along with a reputational check. The bidding process also includes “sustainability requirements and Ks” to be monitored throughout the contract period. The Terms of Contract also require compliance with relevant legislation and regulations, and adherence by suppliers to the principles Enel has committed to in the Human Rights Policy, Code of Ethics, Zero Tolerance of Corruption Plan, and global compliance programs.
Increased environmental impacts due to delays in adopting bureaucratic procedures for the installation, maintenance, and repair of energy-efficient products and services	Actual		Enel also facilitates the electrification process by providing products and services that support customers in the energy transition. To achieve this goal, authorizations are often required from the relevant authorities. As such, bureaucratic delays have occurred (e.g., due to waiting for new regulations, or lack of knowledge by operators on the correct process, etc.), which Enel manages by continually monitoring the paperwork and providing timely information to customers.
Increase in the number of vulnerable customers and energy poverty due to an increase in the price of electricity 	Actual		The Enel Group aims to continue supporting citizens to improve and maintain access to electricity in the most deprived areas and in underserved 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 fact, the Group is also committed to a “fair for all” energy transition by offering innovative and inclusive services for customers with vulnerable conditions (e.g., due to age, disability, economic status, etc.), in line with the Human Rights Policy. Moreover, the Enel Group is committed to going above and beyond the support provided by country legislation, such as the so-called “social bonus” enacted in Italy and Spain (which helps vulnerable customers with the payment of electricity and gas costs). Initiatives are also dedicated to providing information on support opportunities for vulnerable groups in society, as well as projects to provide concrete support.

(1) Duration:  Short term  Medium term  Long term

 ESG priority topics for stakeholders  IRO related to human rights







VALUE CHAIN	MAIN STAKEHOLDERS INVOLVED	MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
	Suppliers	<b>Sustainable supply chain</b>	Contract execution	Promoting respect for just and favorable working conditions and non-discrimination in relations with suppliers and contractors	<ul style="list-style-type: none"> <li>GRI 414-1: New suppliers selected using social criteria</li> <li>GRI 407-1: Activities and suppliers where the right to freedom of association and collective bargaining may be at risk</li> </ul>
	Planet Customers	<b>Climate change</b>	Reducing GHG emissions of services and products to customers	<p>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for homes and condominiums</p> <p>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for cities</p> <p>Reducing CO<sub>2</sub> emissions due to new technologies and solutions for industries</p> <p>Reducing CO<sub>2</sub> emissions due to e-mobility</p>	<ul style="list-style-type: none"> <li>GRI 305-3: Other indirect greenhouse gas (GHG) emissions (Scope 3)</li> </ul>
	Customers	<b>Customer centricity</b>	Solutions dedicated to customer needs	Affordability of tariffs and flexibility of payments	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>DMA EU (former EU24): Practices to address language, cultural, low-literacy, and disability-related barriers, access to and safe use of electricity, and customer support services</li> </ul>





MATERIAL IMPACT		TYPE	DURATION <sup>(1)</sup>	IMPACT MANAGEMENT
Lack of consultation process for initiating new projects, causing community opposition		Actual		Relationship management with communities and other stakeholders is a key factor of all Group activities. The Enel Group aims to establish strong and lasting community relations, including local communities and indigenous and tribal peoples, through broad, inclusive and ongoing dialogue based on clear phases of stakeholder engagement, and in line with relevant international standards (such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises). This approach is integrated into the business. In fact, the Enel Group involves the local communities in which it operates right from the early stages of development of its business projects. Thanks to its direct presence in local areas, Enel raises awareness in communities by sharing the mutual benefits of initiatives and informing them about climate change issues and the impact of energy transition, and setting shared sustainability goals. To strengthen the integration of these principles, internal organizational documents are also being reviewed with a view to ongoing improvement.
Negative environmental damage (e.g., depletion of natural water resources resulting in the decay of related ecosystem services, pollution and/or deterioration of water and soil) due to inadequate water management (e.g., excessive water withdrawals for the resource regeneration capacity and ecosystem needs, particularly in water-stressed areas, uncontrolled discharges or leaks of wastewater, effluents with an excessive heat load or pollutants)		Potential		Adopting ISO 14001-certified Environmental Management Systems within the Group ensures the presence of structured policies and procedures for identifying and managing environmental risks and opportunities associated with all business activities (including Enel's Human Rights Policy, which contains a specific principle relating to the environment (2.2.1)). Enel constantly monitors all electricity generation sites located in areas at risk of water scarcity (water stress areas) to ensure efficient use of water resources. Mapping of production sites in water-stressed areas is done in line with the criteria of GRI 303 (2018) referring to the conditions of "(baseline) Water Stress". With the aim of identifying technological solutions to reduce consumption, special attention is paid to assets in areas of high water stress. The risk of water scarcity is also mitigated by the growth in generation from renewable sources, such as wind and solar, which are not essentially dependent on the availability of water for their operation.
Environmental damage (soil sealing, noise pollution, loss of habitat and biodiversity, reduction of biodiversity ecosystem services) due to inadequate protection of biodiversity and natural capital (e.g., land occupation, transformation of natural habitat, interaction with protected species and/or protected areas due to construction, operation, or decommissioning of assets)		Potential		In environmental and natural ecosystems, the Enel Group is implementing suitable actions in order to protect, restore and conserve biodiversity, in species and natural habitats, respecting the principle of mitigation hierarchy (avoid, minimize, restore and compensate), as well as suitable terrestrial, marine and river monitoring activities to check the effectiveness of the measures taken. In this context, the Group acknowledges that protecting the environment and natural resources, combating climate change and contributing to sustainable economic development are strategic factors in the planning, operation and development of its activities. This commitment is enshrined in the Group's Biodiversity Policy and Human Rights Policy, which includes a specific principle relating to the environment (2.2.1). Enel plays an active part in the international debate with stakeholders and in the networks with the most influence in natural and biodiversity issues (such as Business for Nature, Taskforce on Nature-related Financial Disclosures, World Business Council for Sustainable Development and Science Based Targets for Nature). Enel implements prevention, mitigation and recovery programs and plans for the impact on ecosystems and natural habitats in all critical and/or significant sites for all its assets.
Damages related to environmental degradation (environmental pollution, reduction of ecosystem services) due to improper waste management (e.g., dispersal or abandonment of waste, violation of laws)		Potential		The Enel Group works constantly to mitigate and reduce the potential environmental impact of the waste management activities generated by its operations. To this end, Enel has established global and Country-level targets, which translate into action plans at individual plant and territorial unit level, with the aim of reducing the waste generated by its operations, be it direct or contracted. Moreover, by adopting Group Guidelines on Waste Management and using Integrated Management Systems throughout the Company with dedicated operating procedures, as well as local active monitoring and control tools such as ECoS (Extra Checking on Site) inspections, Enel aims to ensure constant oversight and improvement in waste management and in the prevention of accidental events that may cause damage to the environment.

(1) Duration:  Short term  Medium term  Long term

 ESG priority topics for stakeholders  IRO related to human rights

VALUE CHAIN	MAIN STAKEHOLDERS INVOLVED	MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
	Communities	<b>Engaging local and global communities</b>	Listening to communities	Dialogue, sharing and engagement in common objectives	<ul style="list-style-type: none"> <li>GRI 413-1: Operations with local community engagement</li> <li>DMA EU (former EU19): Stakeholder engagement in decision-making on energy planning and infrastructure development</li> </ul>
	Planet	<b>Water resources management</b>	Responsible use of water	Treatment, recycling and reuse of wastewater  Reducing water consumption  Managing water resource availability	<ul style="list-style-type: none"> <li>GRI 303-4: Water discharge</li> <li>GRI 303-5: Water consumption</li> </ul>
	Planet	<b>Preservation of biodiversity and ecosystems</b>	Mitigation of impacts on natural heritage  Soil management	Optimizing dependencies and opportunities of impacts of ongoing operations on biodiversity  Noise management and mitigation  Managing and mitigating visual impact  Reducing land use	<ul style="list-style-type: none"> <li>GRI 304: Biodiversity</li> </ul>
	Planet	<b>Waste</b>	Non-hazardous waste  Hazardous waste	Non-hazardous waste from operations and maintenance (O&M)  Non-hazardous waste from construction activities  Hazardous waste from construction activities  Hazardous waste from operations and maintenance (O&M)	<ul style="list-style-type: none"> <li>GRI 306: Waste</li> </ul>

 Impact generated directly by its own activities

 Impact generated not directly by its own activities but caused by its own business relationships



# POTENTIAL MATERIAL OPPORTUNITIES

MATERIAL OPPORTUNITY	DURATION <sup>(1)</sup>	OPPORTUNITY MANAGEMENT
Improving company reputation by working with sustainability-compliant suppliers		<p>In addition to ensuring the necessary quality standards, the partners are required to commit to best practices on human rights and the impacts of their activities, including working conditions, occupational health and safety, environmental responsibility, and respect for privacy by design and by default. They are also an integral part of 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. In terms of specific actions, Enel ensures that its procurement processes are based on criteria that promote sustainable development, as well as the principles of free competition, equal treatment, non-discrimination, transparency and rotation over and above compliance with local legislation.</p> <p>Specifically, the General Terms and Conditions of Contract require compliance with relevant current legislation and regulations, and for suppliers to sign up to the principles to which Enel has committed in the Human Rights Policy, Code of Ethics, Zero Tolerance of Corruption Plan, and global compliance programs. In terms of environmental impact, in 2019 Enel embarked on a path of supply chain decarbonization, which has already produced visible results.</p>
Decreased disputes and complaints thanks to listening to and engaging the local communities in the areas where the Company operates		<p>Thanks to ongoing systematic dialogue and community engagement through its local structures, the Enel Group aims to create and maintain stable and long-term relationships, including through socio-economic development projects.</p>
Anticipating changes in national and international environment legislation and standards by adopting an over-compliance strategy to take on the role of a global environmental best performer with respect to the most stringent regulatory compliance requirements		<p>Enel plays an active and leadership role in international meetings and in the discussion and application of new national and international standards regarding environmental issues in order to align and anticipate their organizational implications. A structured control plan – combined with actions and improvement objectives inspired by the best environmental and social practices, with requirements higher than those of simple environmental regulatory compliance – mitigates the risk of impacts on the environment, legal disputes and misalignment with the benchmark international standards underpinning best practices.</p>
Presence of regulations and incentives aimed at promoting sustainable projects and investments for social and economic development in the areas where the Company operates		<p>Enel conducts advocacy activities both directly and through industry associations to accelerate the pace of the energy transition and stimulate the adoption of regulations that promote sustainable investments, such as grid upgrades and digitalization, renewable energy development, storage, and end-use electrification.</p>
Higher revenues thanks to shifts in consumer behavior towards more sustainable, electrified and digitalized solutions		<p>In line with the objectives of the Paris Agreement and the framework outlined by the European Community, Enel wishes to support customers in the electrification process through offers that increasingly meet their needs. With this in mind, it is more and more important for the various customer groups to gain awareness of how their consumption and purchasing behavior can contribute to achieving sustainability goals. Therefore, the Enel Group provides specific customer groups (B2C, B2B, B2G) with tools and materials to supply information about their consumption, how to reduce it, and what the opportunities are when shifting toward greater sustainability.</p>

(1) Duration:



Short term




Medium term



Long term











MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
<b>Sustainable supply chain</b>	<p>Qualification of suppliers and contracting firms</p> <p>Tendering of suppliers and contracting firms</p>	<p>Qualification of suppliers and contracting firms based on occupational health and safety, human rights, and environmental impact criteria</p> <p>Preparing calls for tenders aimed at promoting sustainable practices</p>	<ul style="list-style-type: none"> <li>GRI 204-1: Proportion of expenses paid to local suppliers</li> <li>GRI 308-1: New suppliers selected using environmental criteria</li> <li>GRI 414-1: New suppliers selected using social criteria</li> <li>GRI 414-2: Negative social impacts in the supply chain and actions taken</li> </ul>
<b>Engaging local and global communities</b>	Listening to communities	Dispute management and grievance mechanisms	<ul style="list-style-type: none"> <li>GRI 413-1: Operations with local community engagement</li> <li>EU22: Number of people physically or economically displaced and compensation, broken down by project type</li> <li>DMA EU (former EU20): Approach to managing the impacts of displacement</li> </ul>
<b>Governance and advocacy for nature and climate</b>	<p>Governance and advocacy for nature</p> <p>Governance and advocacy for climate</p>	<p>Environmental policies</p> <p>Climate policy</p>	<ul style="list-style-type: none"> <li>GRI 2-27: Compliance with laws and regulations</li> </ul>
<b>Economic value creation</b>	Long-term value distribution strategy	Community investments	<ul style="list-style-type: none"> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>
<b>Customer centricity</b>	<p>SASB </p> <p>Quality of customer relations</p>	Customer awareness of efficient and sustainable use of energy	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> </ul>







# POTENTIAL MATERIAL RISKS

MATERIAL RISK	DURATION <sup>(1)</sup>	RISK MANAGEMENT
<p>Inadequate management of cyber security systems by the organization to avoid reputational, legal, and economic damage due to cyber attacks, which result in the loss of sensitive data of employees, customers, and suppliers</p>		<p>The Enel Group has established and implemented an operating model and Process Framework for integrated cyber security risk management. The Framework is based on two essential principles: the "risk-based approach" and "cyber security by design". The first requires cyber risk assessment to be a prerequisite for strategic decisions and for the development and secure maintenance of all assets of the organization (e.g., people, infrastructure, platforms, and technology solutions). The second, cyber security by design, ensures that cyber security principles are adopted from the outset and throughout the entire lifecycle of solutions, services and infrastructure in all areas: IT (Information Technology), OT (Operational Technology) and IoT (Internet of Things). This approach is essential in an environment marked by the widespread implementation of digital tools and solutions, which are fundamental to enhancing the entire system but which also continually present new challenges.</p> <p>Therefore, although the Enel Group is strongly committed to measures to strengthen the "Cyber Security Posture", there is an awareness that cyber risk is strongly characterized and influenced by exogenous, unpredictable factors, such as cyber attacks, which are increasingly frequent and sophisticated and which could negatively affect business operations, even with defensive processes and technologies.</p>
<p>Increased production costs due to excessive volatility or rising costs of raw materials</p>		<p>Enel carries out monitoring and forecasting activities to simulate and test business initiatives under different price scenarios. Moreover, to manage price risk, Enel adopts hedging strategies and strategically manages suppliers in order to be proactive negotiators.</p>
<p>Higher costs due to fluctuations in interest rates and monetary exchange rates, as well as rising inflation</p>		<p>The macroeconomic landscape has changed rapidly, with prolonged periods of elevated interest rates, diminished economic growth prospects, and a swiftly rising cost of capital. In light of these exogenous factors, the Enel Group is focusing on flexibility and resilience, cost efficiency, and competitiveness.</p>
<p>Lower revenues due to poor customer retention and satisfaction due to low quality service delivery</p>		<p>Enel has implemented several tools to measure customer satisfaction, including transactional, relational, and in-app surveys. After analyzing the results, concrete actions are put in place based on customer feedback, which aim to resolve critical issues and boost satisfaction and loyalty over time. "Close the loop" is one example of an initiative that investigates the causes of negative feedback on customer satisfaction surveys so as to resolve any dissatisfaction and prevent further issues in the future.</p>
<p>Inadequate initiatives from institutions to help accelerate the energy transition (including excessive bureaucracy), which results in uncertainty and slowdowns for the Company's investment in renewable and low-carbon technologies</p>		<p>Energy transition trends are not the same in all countries. With regard to the spread of renewable energy sources, the penetration of electric vehicles and the adoption of green hydrogen, there are often poor or ineffective support mechanisms along with unsuitable market structures. The Enel Group's strategic development guidelines were drawn up taking into consideration the evolving external environment, the regulatory and normative framework, and the competitive landscape.</p> <p>At the same time, Enel takes a transparent, collaborative and proactive approach to institutions and local regulators in order to promote initiatives and regulations that support the energy transition.</p>
<p>Lower revenues due to low uptake of energy-efficient products and services as a result of the absence or inadequacy of the regulatory framework of incentives and regulations</p>		<p>For Enel, the regulatory framework of incentives and regulations is crucial to achieving the goals of the Paris Agreement and the European Community, which tie in with its own business objectives for decarbonizing customers. Achieving these goals requires a clear and favorable regulatory framework, which provides incentives for the installation of renewable energy generation equipment, private charging stations, products for energy efficiency, and thermal insulation, while any shortcomings could put their achievement at risk.</p>



(1) Duration:  Short term  Medium term  Long term  
 (2) "-" is reported where the material topic is not currently covered by a specific GRI



MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
<b>Digital transformation</b> 	Cyber security	Strategy and management models for cyber security  Cyber security culture	— <sup>(2)</sup>
<b>Economic value creation</b>	Long-term value distribution strategy	Operating costs of the business (including payments to suppliers)	<ul style="list-style-type: none"> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>
<b>Economic value creation</b>	Capital balance and soundness	Capital structure balance	<ul style="list-style-type: none"> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>
<b>Customer centricity</b> 	Quality of customer relations	Effective and fair relationship with customers	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>DMA EU (former EU24): Practices to address language, cultural, low-literacy, and disability-related barriers, access to and safe use of electricity, and customer support services</li> </ul>
<b>Climate change</b> 	Mitigation: reducing direct GHG emissions (Scope 1)	Renewable capacity development (solar, wind, biomass, geothermal, mini-hydro)	<ul style="list-style-type: none"> <li>GRI 305-1: Direct greenhouse gas (GHG) emissions (Scope 1)</li> <li>EU1: Installed capacity, broken down by primary energy source and regulatory regime</li> </ul>
<b>Customer centricity</b> 	Solutions dedicated to customer needs	Availability of energy-efficient products and services	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> </ul>

**MATERIAL RISK**

**DURATION<sup>(1)</sup> RISK MANAGEMENT**

<p>Reputational damage due to a failure in the Company's supply chain to respect workers' rights</p>			<p>Since 2013, the commitment against the use of any kind of forced or compulsory labor, as well as all forms of slavery and human trafficking, has been formally defined in Principle 2.1.1 Rejection of forced or compulsory labor and child labor of the Human Rights Policy. For this reason, the Group is also asking its suppliers to commit to best practices on human rights and the impacts of their activities, including working conditions, occupational health and safety, environmental responsibility, and respect for privacy by design and by default. The selection of the best suppliers and the execution of contracts according to the highest standards of sustainability are guaranteed by the analysis and monitoring of the entire procurement process:</p> <ul style="list-style-type: none"> <li>• during the qualification stage, potential suppliers are assessed according to criteria related to human rights (including occupational health and safety) and the impact of their activities on the environment;</li> <li>• during the tender stage, there are specific mandatory sustainability requirements and reward factors (sustainability K) to help promote responsible practices at a systemic level;</li> <li>• throughout the term of the contract, Enel monitors compliance with the requirements and reward factors (Supplier Performance Management).</li> </ul>
<p>Increase in extreme weather events (e.g., cyclones, droughts, floods, storms, heat waves and fires) due to climate change, resulting in damage or reduced efficiency of power generation and distribution plants and their supporting infrastructure, causing capacity to be downgraded, operations temporarily stopped or shut down completely</p>			<p>Enel implements procedures, policies, and interventions to manage adverse events, both to boost the resilience of the infrastructure and the business and to improve its ability to quickly restore plant and grid operating conditions. Enel has produced a catalog of adaptation actions that aim to enhance the resilience of assets and their ability to respond to the possible effects of climate change. This catalog is updated cyclically as needed and as analyses and solutions are refined, and currently includes more than one hundred actions. Such as asset monitoring, weather forecasting and weather alerts, and assessing the effects of different climate change scenarios. Based on this information, adaptation plans are implemented to boost resilience, both for existing assets and for those under construction.</p>
<p>Stricter and more stringent legislation on the performance of activities, products and/or services to reduce the environmental impact on nature and local communities, resulting in increased costs (e.g., fines, loss of licenses and/or revenues or blocked assets)</p>			<p>To prevent potential risks from regulatory factors and changing legislation, the Enel Group maintains intensive relationships with national and EU institutional bodies and major international associations. Enel is proactive in removing/reducing all potential elements that could compromise its positive environmental and social impact. With this in mind, Enel actively is supporting the work of the European Commission in the adoption of the Action Plan "Towards Zero Pollution Ambition for air, water and soil – Building a Healthier Planet for Healthier People", by actively participating in the review process and promoting the adoption of zero-emission technologies that generate benefits both globally, in terms of GHG reduction, and locally, in terms of air pollution reduction. Furthermore, Enel actively supports the development of new technologies, such as electrification based on renewable energy, to support other sectors and uses of energy, such as the transport sector or heating and cooling in buildings. Lastly, in line with EU strategies for the restoration of degraded soils, Enel is promoting a circular approach to the management of the areas occupied by reusing and redeveloping brownfield sites, and by repowering and extending the life of wind farms to limit land use. Enel supports this process also through participation with Eurelectric on the Zero Pollution Stakeholder Platform.</p>
<p>Lack of skilled labor among members of the community in which the Company operates</p>			<p>The Enel Group promotes training programs dedicated to the local communities in which it operates, as well as training projects developed with local institutions for socio-economic development. Enel supports reskilling/upskilling, technical training, job orientation, provisions of school supplies and scholarships.</p>
<p>Regulatory changes that could have a negative impact on distribution activities or the operation of the electricity system, leading to a decrease in the remuneration of regulated activities</p>			<p>The Enel Group conducts significant monitoring activities and undertakes the coordination and advocacy actions needed to reduce the risk associated with regulatory changes that could affect the remuneration of regulated activities.</p>
<p>Possible reputational impact due to high electricity tariffs in times of crisis</p>			<p>Unforeseen international events and geopolitical uncertainty – as has been the case in recent years – can have a major impact on the supply of raw materials needed for power generation and, in turn, on customers' electricity tariffs. Given that the reasons for such increases may not be completely clear to all customers, which may compromise the Company's reputation, Enel is continuing to pursue its close relations customers, especially those in vulnerable conditions, by providing information so that customers can take advantage of the relief available to them and be informed of the reasons for the increase. Moreover, where possible, the Company offers customer-specific solutions to mitigate the cost impact.</p>

(1) Duration:  Short term  Medium term  Long term  
 (2) "-" is reported where the material topic is not currently covered by a specific GRI





MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
Sustainable supply chain	Contract execution	Promoting respect for just and favorable working conditions and non-discrimination in relations with suppliers and contractors	<ul style="list-style-type: none"> <li>GRI 414: Supplier Social Assessment</li> <li>GRI 407-1: Activities and suppliers where the right to freedom of association and collective bargaining may be at risk</li> </ul>
Climate change	Adapting to climate change	Adapting to extreme weather	<ul style="list-style-type: none"> <li>GRI 303: Water and effluents</li> <li>GRI 304: Biodiversity</li> <li>GRI 305: Emissions</li> <li>DMA EU (former EU6): Management approach to ensure energy availability and reliability in the short and long term</li> <li>EU12: Transmission and distribution losses as a percentage of total energy</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>EU28: Frequency of power outages</li> <li>EU29: Average duration of power outage</li> </ul>
Governance and advocacy for nature and climate	Governance and advocacy for nature	<p>Certified environmental management system</p> <p>Environmental policies</p>	<ul style="list-style-type: none"> <li>GRI 2-22: Statement on sustainable development strategy</li> <li>GRI 2-23: Policy commitments</li> <li>GRI 2-24: Embedding policy commitments</li> </ul>
Engaging local and global communities	Supporting the social and economic development of communities	Employment development in the areas of presence	<ul style="list-style-type: none"> <li>GRI 413-1: Operations with local community engagement</li> </ul>
Economic value creation	Long-term value distribution strategy	Operating costs of the business (including payments to suppliers)	<ul style="list-style-type: none"> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>
Customer centricity	Solutions dedicated to customer needs	Affordability of tariffs and flexibility of payments	<ul style="list-style-type: none"> <li>GRI 417-1: Labeling requirements and product and service information</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> </ul>

**MATERIAL RISK**

**DURATION<sup>(1)</sup> RISK MANAGEMENT**

<p>Inadequate maintenance of distribution network infrastructure by third-party companies/ organizations, compromising the continuity of energy supply service</p>		<p>Enel, as a DSO (Distribution System Operator), follows the network code of the TSO (Transmission System Operator) that governs the countries in which it operates. Enel constantly invests in network development, renewal 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.</p>
<p>Economic/financial losses, administrative sanctions, court orders as a result of illegal or unlawful conduct and violations of international, national or local laws or regulations</p>		<p>When performing its activities, the Enel Group is exposed to risks that could influence its economic and financial results if they are not effectively monitored, managed and mitigated.</p> <p>The Enel Group's system of internal control and risk management ("SCIGR") consists of the set of rules, procedures and organizational structures designed to identify, measure, manage and monitor the main business risks, in line with the Corporate Governance Code.</p> <p>The Group has also set up a risk governance model based on certain "pillars", as well as a homogeneous taxonomy of risks ("risk catalogue") to facilitate their management and organic representation (for further details, please refer to the "Report on corporate governance and ownership structure" approved by the Enel SpA Board of Directors on March 16, 2023).</p>
<p>Increased costs and reputational damage due to air pollution emissions (other than CO<sub>2</sub> emissions) as well as waste generation and water consumption caused by the delay in the coal phase-out process</p>		<p>Enel has made a commitment to complete the decarbonization process of its entire value chain by 2040, in line with the goals of the Paris Agreement (COP 21) to limit the average global temperature increase to 1.5 °C. To this end, Enel has constructed a roadmap that includes mid-term targets to 2030 (compared to the 2017 base year levels) certified by the Science Based Targets initiative (SBTi) in line with the 1.5 °C pathway: in particular, the Company has committed to 100% renewable energy generation by 2040 with an intermediate target of at least 80% of installed renewable capacity by 2030 and coal phase-out by 2027.</p>
<p>Increased costs and reputational damage from biodiversity loss and degradation of ecosystem services due to land occupation, habitat fragmentation, and/or air, soil, and water contamination during the construction and operation of generation and distribution assets</p>		<p>Enel's strategic approach to biodiversity conservation aligns with the Kunming-Montreal Global Biodiversity Framework, and commits to the goal of halting and reversing biodiversity loss by 2030. Specifically, Enel is committed to applying the principle of the mitigation hierarchy at all stages of the project, avoiding and reducing impacts on areas of high biodiversity value and on ecosystem services, by reducing deforestation and habitat transformation. Where it is not possible to avoid these impacts, Enel is committed to minimizing negative impacts by implementing rehabilitation and restoration measures, and as a last option, offsetting residual impacts.</p>
<p>Increased power generation costs due to water shortages caused by drought, increased water demand, and regulatory restrictions</p>		<p>Enel also pays close attention to aspects of water resource vulnerability, by mapping and constantly monitoring all production sites located in areas classified as at risk of water scarcity ("water stressed areas"), identifying and pursuing the most suitable plant and management solutions in each case. By developing meteo-climatic scenarios, particularly on the effects of climate change, and medium- and long-term demographic scenarios, variation in water resource availability and natural and anthropogenic water needs can be assessed by mapping producibility for the plants as well as the potential economic/ financial risk to the organization.</p>
<p>Increased site maintenance costs due to land degradation, causing instability and vulnerability of power plants and structural damage in terms of integrity and safety</p>		<p>Enel implements procedures, policies, and interventions to manage adverse events, both to boost the resilience of the infrastructure and the business and to improve its ability to quickly restore plant and grid operating conditions. In particular, actions are carried out on specific sites to monitor and manage this type of risk, such as: weather forecasts, with warning systems to protect people and assets; hydrological simulations; land surveys (including with drones); real-time remote monitoring of power generation facilities and vulnerabilities through digital GIS (Geographic Information System) systems and satellite measurements; specific activities to protect against soil erosion, such as matting – a soil stabilization solution that involves applying a mat or blanket of organic or synthetic material to the soil surface to protect from erosive forces. This promotes germination and facilitates the planting process.</p>










(1) Duration:  Short term  Medium term  Long term  
 (2) "-" is reported where the material topic is not currently covered by a specific GRI

MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI
<b>Resilient grids</b> 	Operational management of grids	Grid maintenance	<ul style="list-style-type: none"> <li>DMA EU12: Transmission and distribution losses as a percentage of total energy</li> <li>DMA EU (former EU23): Programs, including those in partnership with the government, to improve or maintain access to electricity and customer service</li> <li>EU28: Frequency of power outages</li> <li>EU29: Average duration of power outage</li> </ul>
<b>Business conduct and ethics</b>	Legal disputes	Legal proceedings	<ul style="list-style-type: none"> <li>GRI 2-22: Statement on sustainable development strategy</li> <li>GRI 2-23: Policy commitment</li> <li>GRI 2-24: Embedding policy commitments</li> <li>GRI 205-1: Operations assessed to determine corruption risks</li> <li>GRI 205-2: Communication and training on anti-corruption regulations and procedures</li> <li>GRI 205-3: Confirmed incidents of corruption and measures taken</li> <li>GRI 206-1: Legal actions relating to anticompetitive behavior, trust activities and monopolistic practices</li> <li>GRI 415-1: Political contributions</li> </ul>
<b>Air, water and soil quality</b> 	Reducing pollution	Reducing emissions into the air (excluding CO <sub>2</sub> )	<ul style="list-style-type: none"> <li>GRI 305-6: Emissions of ozone-depleting substances (ODS)</li> <li>GRI 305-7: Nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>) and other relevant air emissions</li> </ul>
<b>Preservation of biodiversity and ecosystems</b>	Mitigation of impacts on natural heritage  Soil management	Optimizing dependencies and opportunities of impacts on ecosystem services  Restoring degraded soils  Reducing land use	<ul style="list-style-type: none"> <li>GRI 304: Biodiversity</li> </ul>
<b>Water resources management</b> 	Responsible use of water	Managing water resource availability	<ul style="list-style-type: none"> <li>GRI 303-3: Water withdrawal</li> </ul>
<b>Air, water and soil quality</b> 	Reducing pollution	Protection, monitoring and remediation of soil, subsoil and groundwater	<ul style="list-style-type: none"> <li>GRI 304: Biodiversity</li> </ul>

MATERIAL RISK	DURATION <sup>(1)</sup>	RISK MANAGEMENT
Increased costs and reputational damage due to improper management of spills, violating environmental regulations		Enel is committed to the continuous application of the most advanced technologies available and best practices in order to prevent and minimize the potential environmental impacts of its activities, using international standards as a benchmark even where the required environmental protection is less stringent. Among the areas of prevention, the highest level of attention is paid to the protection, monitoring and remediation of soil, subsoil and groundwater in the areas where plants and generation and service facilities are present in all Countries. More generally, Enel adopts policies and operational procedures for timely management, communication and analysis of severe, significant and minor environmental emergencies and incidents, as well as potentially significant emergencies and near misses, in order to prevent and mitigate any possible impact by constantly improving its environmental performance.
Increased costs and reputational damage due to improper management of non-hazardous waste, violating environmental regulations		The Enel Group works constantly to mitigate and reduce the potential environmental impact of the waste management activities generated by its operations. To this end, Enel has established global and Country-level targets, which translate into action plans at individual plant and territorial unit level, with the aim of reducing the waste generated by its operations, be it direct or contracted. Moreover, by adopting Group Guidelines on Waste Management and using Integrated Management Systems throughout the Company with dedicated operating procedures, as well as local active monitoring and control tools such as ECoS (Extra Checking on Site) inspections, Enel aims to ensure constant oversight and improvement in waste management and in the prevention of accidental events that may cause damage to the environment.
Increased costs and reputational damage due to improper management of hazardous waste, violating environmental regulations		Enel has a long-established strategy to reduce hazardous waste from its operational processes, thanks to its selection of technological solutions and procurement of chemicals that can ensure the absence of hazardous elements in the final waste (as well as "substances of concern" and "of very high concern"). This strategy has meant that waste classified as hazardous currently makes up a marginal portion of the Group's total waste, which is mainly tied to coal-fired thermoelectric processes and will therefore be reduced to zero with the planned phase-out of the technology. In many cases, the hazardous classification is also due to the preventive and precautionary decision taken by Enel to classify as hazardous by origin even waste that could potentially prove hazardous as a result of anomalous or transitory operating conditions of the process of origin.
Increased costs, fines, reputational damage due to non-compliance with environmental regulations relating to water use and treatment		Enel's active leadership role in the development and application of national and international environmental reference standards enables the Company to avoid possible misalignments or violations by anticipating their organizational implications and adopting actions and improvement goals inspired by environmental and social best practices. The risk of possible environmental impacts, reputational damage or litigation relating to water use and treatment is therefore prevented and mitigated. The widespread adoption of ISO 14001-certified Environmental Management Systems within the Group also ensures the presence of operational and control policies and procedures dedicated to identifying and managing the environmental risks and opportunities associated with this resource. With the aim of identifying technological solutions to reduce water withdrawal and consumption, special attention is paid to assets in areas of high water stress. The risk of water scarcity is also mitigated by the strategy to increase generation from renewable sources, such as wind and solar, which are not essentially dependent on the availability of water for their operation.
Increase in the number of non-occupational diseases of workers and contractors, due to an inadequate health culture in the context in which the Company operates	 	The Enel Group supports various initiatives for its people to promote prevention and raise awareness of the importance of mental and physical health and well-being, such as: <ul style="list-style-type: none"> <li>• the psychological listening and support service to provide workers with a personalized help program in an anonymous, free and confidential manner;</li> <li>• free flu vaccination campaigns to reduce the impact of influenza;</li> <li>• awareness campaigns on the importance of healthy eating and healthy lifestyles;</li> <li>• support with stopping smoking, and encouraging physical activity through short initiatives to be performed during working hours;</li> <li>• the option of preventive check-ups at either no cost or reduced cost for workers.</li> </ul>
Increase in the number of workplace injuries to workers and contractors, due to an inadequate social and cultural context on health and safety issues	 	People's health, safety, and mental and physical well-being are the most valuable assets to be protected at all times of life, whether at work or at leisure. The Enel Group therefore promotes various culture and awareness initiatives, such as: <ul style="list-style-type: none"> <li>• Group safety campaigns targeted at workers and contractors;</li> <li>• awareness campaigns on cross-cutting risks that impact workers' everyday work (e.g., ergonomics, slips, etc.);</li> <li>• information and training on specific risks to workers (e.g., falling from height, electrical risks, etc.);</li> <li>• training initiatives for workers on mindset change – safety culture;</li> <li>• safety meetings with suppliers to share best practices;</li> <li>• establishing the minimum contractual safety requirements (HSE Terms) during supplier qualification, contractor assessment, and consequence management;</li> <li>• establishing, monitoring and analyzing performance KPIs relating to worker and contractor safety to identify improvement actions (e.g., improvement of work methods and equipment through technology/innovation, digitalization of processes, etc.).</li> </ul>

(1) Duration:  Short term  Medium term  Long term  
(2) "-" is reported where the material topic is not currently covered by a specific GRI



MATERIAL TOPIC (1st LEVEL)	MATERIAL TOPIC (2nd LEVEL)	MATERIAL TOPIC (3rd LEVEL)	RELEVANT GRI	
Air, water and soil quality	SASB 	Reducing pollution	Discharge management	<ul style="list-style-type: none"> <li>GRI 303-4: Water discharge</li> </ul>
Waste	SASB 	Non-hazardous waste	<p>Non-hazardous waste from operations and maintenance (O&amp;M)</p> <p>Non-hazardous waste from construction activities</p>	<ul style="list-style-type: none"> <li>GRI 306-3: Waste generated</li> <li>GRI 306-4: Waste not sent to landfill</li> <li>GRI 306-5: Waste sent to landfill</li> </ul>
Waste	SASB 	Hazardous waste	<p>Hazardous waste from operations and maintenance (O&amp;M)</p> <p>Hazardous waste from construction activities</p>	<ul style="list-style-type: none"> <li>GRI 306-3: Waste generated</li> <li>GRI 306-4: Waste not sent to landfill</li> <li>GRI 306-5: Waste sent to landfill</li> </ul>
Water resources management	 SASB 	Responsible use of water	<p>Treatment, recycling and use of wastewater</p> <p>Reducing water consumption</p>	<ul style="list-style-type: none"> <li>GRI 303-4: Water discharge</li> </ul>
Health and safety	 SASB 	Worker health	Promoting worker health	<ul style="list-style-type: none"> <li>GRI 403: Occupational health and safety</li> <li>GRI 410: Safety practices</li> </ul>
Health and safety	 SASB 	Health and safety of workers of contractors operating on Enel sites	<p>Promoting worker health</p> <p>Managing and monitoring worker safety</p> <p>Promoting a safety culture among workers</p> <p>Managing and monitoring contractor safety</p> <p>Promoting a culture of safety among workers of contractors who operate at Enel sites</p> <p>Care for the mental and physical safety of workers</p>	<ul style="list-style-type: none"> <li>GRI 403: Occupational health and safety</li> <li>GRI 410: Safety practices</li> </ul>



# 4. PERFORMANCE 2023

## ○ **Business drivers**

Toward 100% renewable generation.  
A safer, more resilient and digitalized power grid.  
Sustainable cities and communities and electrification of uses.

## ○ **Climate change, nature and circular economy**

Zero emissions ambition by 2040, with a certified roadmap and promoting a just transition.  
Protection of natural capital, through the reduction of impacts, the recovery of habitats and sharing with communities the opportunities of ecosystem services.  
Circular economy to reduce the consumption of fossil fuels and raw materials.

## ○ **People, health and safety**

People are the protagonists of sustainable progress, not only employees, but also customers, suppliers, communities, institutions, and the financial community.  
Enel's commitment is: zero injuries each day, every day.

## ○ **Governance, human rights and tax transparency**

A solid governance model and respect for human rights in business practices are the basis for sustainable progress.  
Tax contribution and transparency support the creation of value for communities.

## ○ **Innovation and digitalization**

Monitoring the evolution of new technologies and digitalization allow an acceleration of sustainable growth.

# BUSINESS DRIVERS

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Climate change
- Resilient grids
- Electrification of uses
- Economic value creation

## SUSTAINABILITY PLAN PILLAR

### BUSINESS DRIVERS

- Toward 100% renewable generation
- A safer, more resilient and digitalized power grid
- Electrification of uses

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Enel integrates sustainability into the business to create a balance between both Company and local needs throughout the value chain, driving the energy transition in a direction that is fair and inclusive. With this approach, grids play a key role in being able to fully integrate renewable energy sources and support the transformation of customers' energy use in homes, cities, and industry.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS		2024–2026 TARGETS	MAIN SDGs
<b>DEVELOPMENT AND MANAGEMENT OF RENEWABLES</b>				
Development of additional renewable capacity and reduction of thermal capacity	<b>4 GW</b> of new consolidated installed renewable capacity <sup>(1)</sup>		<b>73 GW</b> of renewable capacity by 2026 <sup>(2)</sup>	
	Reduction of thermal capacity by around <b>5.1 GW</b> compared to 2022			
GHG free production on total (% of total generation) <sup>(3)</sup>	<b>75%</b> GHG free production		<b>86%</b> GHG free production in 2026	
Sustainable Construction Site Monitoring the effectiveness of the adoption of sustainable practices (no. practices adopted/no. practices defined in the CSV Plan)	<b>96%</b> renewable construction sites <sup>(4)</sup> <b>82%</b> hydroelectric, geothermal and thermal construction sites		<b>95%</b> renewable construction sites <sup>(4)</sup> in 2024 <b>85%</b> hydroelectric, geothermal and thermal construction sites in 2024	
<b>IMPROVEMENT AND DEVELOPMENT OF GRIDS</b>				
End users with active smart meters - digitalized grid customers <sup>(5)</sup>	<b>45.2 mil</b> (64.3%)		<b>71%</b> in 2026	
SAIDI <sup>(6)</sup>	<b>218 min</b> <sup>(7)</sup>		<b>161 min</b> in 2026 <sup>(8)</sup>	
Grid losses:				
Italy	<b>4.7%</b>		<b>4.7%</b> in 2026	
Europe <sup>(9)</sup>	<b>5.7%</b>		<b>5.4%</b> in 2026	

(1) Including managed renewable capacity and BESS (Battery Energy Storage System), in 2023 5.3 GW of installed capacity has been achieved (of which 934 MW BESS).  
 (2) Includes ownership, partnership, stewardship and BESS.  
 (3) Includes managed capacity.  
 (4) Except hydroelectric and geothermal.  
 (5) Of which 28.7 million second-generation smart meters in 2023.  
 (6) Target included in the remuneration plan as a gate.  
 (7) Indicator subjected to reasonable assurance.  
 (8) Target has been redefined with regard to the scope of core countries; it is therefore not comparable with the 2023 result.  
 (9) The figure includes Italy and Spain. In 2023, Romania is included until October 30th.









### Goals



### Progress



N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

ACTIVITIES	2023 RESULTS		2024-2026 TARGETS	MAIN SDGs
<b>TECHNOLOGIES AND SERVICES FOR CUSTOMER ELECTRIFICATION</b>				
Digitalization of services for municipalities (YoUrban platform)	4,500 connected municipalities		4,800 connected municipalities in 2026	 
<b>SUSTAINABLE FINANCE</b>				
Investments (Capex) aligned with European taxonomy <sup>(10)</sup>	84.8%		>80% in the period 2024-2026	
Sustainable sources of financing (sustainable debt/total gross debt)	64%		~70% in 2026	 

(10) Target included in Sustainability-Linked financial instruments.

# BUSINESS DRIVERS

The fight against climate change is the main challenge of our century and for Enel, as a global player in the energy market, it is one of the pillars of its short and long term strategy. The fundamental elements are **continuous collaboration with stakeholders** and a clear and solid **de-carbonization roadmap** certified by the Science Based Targets initiative (SBTi) and aligned with the objectives of the Paris Agreement (COP 21) to limit the average global temperature increase to below 1.5 °C.

**Specific strategic actions** have been defined to support this roadmap, which include phase out of coal-fired generation by 2027, subject to approval by the relevant authorities<sup>(1)</sup>, which will enable the achievement of 100% renewable generation by 2040. The Group also intends to exit gas sales to end customers by 2040, promote end-use electrification and ensure that 100% of electricity sold is derived from renewable sources by 2040.

In an increasingly complex context, regulated businesses are fundamental to the Group's strategy to improve service quality and resilience, as well increase the focus on networks and therefore benefit from favorable regulatory frameworks. Investment choices in renewables will be more selective, aiming for a positioning that maximizes returns and mitigates risks. Finally, the Group plans to optimize its customer portfolio and end-to-end processes, increasing efficiency in the process of acquiring and managing customers and improving customer retention through integrated offers. The Group confirms that it intends to focus its investments on six core countries and especially where it can leverage an integrated position, specifically Italy, Spain, Brazil, Chile, Colombia and the United States.

A strategy that promotes the achievement of the UN Sustainable Development Goals and in particular **SDGs 7 ("Affordable and clean energy"), 9 ("Industry, innovation and infrastructure"), 11 ("Sustainable cities and communities"), and SDG 13 ("Climate action")** (see table on next page).

**Enel integrates sustainability into the business in order to create synergies between the Company's needs and those of the areas where it operates, throughout the value chain**, by adopting models, in both generation and distribution, that increase and foster collaboration with communities, generating efficiencies and positive impacts in social, economic and environmental terms, particularly by promoting and applying an innovative and circular approach.

In particular, circular economy focuses on reducing the consumption of non-renewable resources, maximizing the value of those already used and of the goods produced, integrating sustainability from asset design to end-of-life, particularly through innovative solutions and material recycling and reuse practices, thus allowing the pressure on the demand for critical raw materials and technologies to be reduced.

**Innovation initiatives continue with a view to finding advanced solutions that support the business, focusing on resilience and operational excellence.**

In every activity, the Group is committed to protecting the health and safety of people, including through new technologies for accident prevention, worker empowerment and strengthening the culture of safety.

(1) As far as the conversion of coal-fired plants is concerned, the Group will evaluate the best available technologies, based on the needs indicated by the distribution network operators.



**SDG 13.2**

Integrate climate change measures into national policies, strategies and planning

- Development of new capacity from renewable sources to have a portfolio of 100% renewable generation by 2040, also thanks to the exit from thermal generation by the same year
- Exit coal-fired generation by 2027 subject to authorization from the competent authorities
- Exit from gas sales to end customers by 2040 and 100% sales of energy from renewable sources by 2040
- Enel Capex Plan fully aligned with the target

- Reduction in Scope 1 GHG emissions intensity relating to Power Generation: **160 gCO<sub>2eq</sub>/kWh** (-56.2% vs 2017)
- Reduction in Scope 1 and 3 GHG emissions intensity relating to Integrated Power: **168 gCO<sub>2eq</sub>/kWh** (-49.3% vs 2017)
- Reduction in Absolute Scope 3 GHG emissions relating to Gas Retail: **16.8 MtCO<sub>2eq</sub>** (-33.5% vs 2017)
- Reduction of additional absolute GHG emissions (Scopes 1+2+3) Roadmap 2030: **11.9 MtCO<sub>2eq</sub>** (-48.6% vs 2017)



**SDG 7.2**

Increase substantially the share of renewable energy in the global energy mix

- Towards a 100% renewable generation**
- **Decarbonization of the generation mix**, with the progressive **development of renewable energy**, taking advantage of the **hybridization of renewables with storage solutions**, and the concomitant exit from electricity generation from thermal generation capacity

- **68.2%** consolidated renewable capacity
- **4.0 GW** of new consolidated installed renewable capacity<sup>(1)</sup>
- **55.5 GW** of consolidated renewable capacity<sup>(2)</sup>
- **75%** of GHG free production (including managed capacity)



**SDG 9.1**

Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

**A safer, more resilient and digitalized power grid**

- **Digitalization, resilience and improvement of grid quality** to fully integrate renewable energy sources and support the transformation of customers' energy consumption in homes, cities, and industry
- **Flexibility of networks** to allow openness to the participation of all those involved in electrification, and to connect millions of users and prosumers

- **218 minutes** SAIDI (System Average Interruption Duration Index)
- **9.6 GW** demand response
- **45.2 million** end users with active smart meters<sup>(3)</sup>
- **113.4 MW** Storage Behind The Meter<sup>(4)</sup>

**SDG 9.4**

Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities



**SDG 11.2**

Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

**Sustainable cities and communities and electrification of uses**

- **Offering innovative products and services to accompany customers on the path of clean electrification and transformation of energy habits**, in order to make electricity from renewable sources increasingly accessible and widespread in homes, businesses and public administrations, supporting small and large municipalities toward a smart city model
- **Support for distributed generation in the territory**, through self-production and the development of energy communities, with a further commitment to promote the development of an increasingly advanced and flexible public and domestic charging infrastructure

- **24.3 thousand** public owned charging points<sup>(5)</sup>
- **3.26 million** public lighting points
- **4,500 municipalities** connected on the YoUrban platform

**SDG 11.3**

Enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries

13

7

9

11

**>90%** Capex aligned with SDGs in the period 2024-2026

(1) Including managed renewable capacity and BESS in 2023, 5.3 GW of installed capacity has been achieved (of which 934 MW of storage with batteries).  
 (2) Including managed renewable capacity and BESS in 2023, 63 GW of installed capacity was reached.  
 (3) Of which 28.7 million second-generation smart meters in 2023.  
 (4) The overall storage figure at December 31, 2023 was 1,730 MW.  
 (5) It should be noted that the figure shown, if also including the charging points of companies operated in joint ventures, would be 25,337 as of December 31, 2023.

# Towards a 100% renewable generation

EU1 | EU2

Power generation plays a key role in significantly reducing global greenhouse gas emissions, and technological development, particularly in the field of renewable energy, is allowing an acceleration of this scenario. Enel's new Strategic Plan envisages 73 GW of installed renewable capacity<sup>(3)</sup> by 2026, compared to 63 GW in 2023, with the goal of achieving 78% of renewable capacity on total<sup>(4)</sup> by 2026, thanks to more than 12 billion euros of gross investment, which is about one third of the total planned investments over the plan period. The share of GHG free production<sup>(5)</sup> will reach 86% by 2026 (75% in 2023).


To increase plant efficiency and reduce generation costs, repowering will be leveraged along with storage to improve the electricity system flexibility and load management. The volume of energy generated using renewable sources depends on several different variables, which means that it is not constant over time. This can lead to excess generation during specific hours of the day or excessive variability, particularly due to weather conditions. Storage systems allow the energy generated by the plants to be stored and returned to the grid when needed, for example, to cope with peak demand.

As part of this decarbonization path, Enel has launched site repurposing/regeneration projects in Europe and Latin America, aiming to enhance the value of industrial assets by giving thermoelectric power plant sites a second life through redevelopment and new development projects based on the key principles of the circular economy and sharing with local communities and institutions. Enel wants to enhance the energy potential of the sites with both renewables and the technologies needed for the energy transition, including Battery Energy Storage Systems (BESS) and photovoltaic panels. It is also working with external developers and local stakeholders to develop additional initiatives in areas not used for energy purposes that will create social and economic benefits.

As part of the Group's commitment to a **just transition**, specific upskilling and reskilling programs are developed for people in the Company affected by the evolution of the business, and suppliers are involved in various initiatives to support their retraining and diversification.

# 127.0 TWh

## CONSOLIDATED GENERATION FROM RENEWABLE SOURCES

112.4 TWh in 2022<sup>(2)</sup>  +13.0%

Below are some examples of these initiatives:

- **Italy**
  - **Porto Tolle:** construction of a tourist village by a third party;
  - **Brindisi Nord:** implementation of an integrated logistics hub by a third-party project for the renewable supply chain;
  - **Brindisi Sud:** hybrid upgrading of energy projects and scouting for new innovative third-party projects;
  - **La Spezia:** new integrated energy hub with energy projects and complementary projects with third parties also on the renewable supply chain;
  - **Livorno:** creation of a logistics hub; review of urban zoning for "commercial" use currently under way;
  - **Bari:** implementation of industrial/handcraft redevelopment projects on behalf of third parties;
  - **Montalto:** integrated program of interventions under way to obtain the necessary urban zoning changes for the development of the area, including through third-party development (photovoltaic tracker factory) to supplement energy projects;
- **Spain**
  - **As Pontes, Litoral, Compostilla, Alcúdia:** ongoing commitment to research and implementation of new initiatives to repurpose the facilities and RES in the affected areas;
  - **Teruel:** Coal2RES internal redevelopment and social development, training, new projects in the industrial, commercial and tourism sectors for the whole area;
- **Chile**
  - **Tarapacá:** gradual transformation of the site into the first industrial hybrid area in Latin America through redevelopment of the areas with third-party projects in logistics, reuse of assets for water and energy management and disposal, and development of new energy projects. Furthermore, as part of the current preparations for the final demolition of the plant, following receipt of all necessary permits, the power plant is an example of conservation and protection of native habitats and species, being located near a Priority Site for Biodiversity (see the "Roadmap towards natural capital conservation" chapter).

(2) Excludes managed capacity. The figure is equivalent to 61% of the total.

(3) Includes consolidated capacity (ownership and partnership), capacity under stewardship and BESS. As of the end of 2023, renewable generation accounted for 55.5 GW of consolidated installed capacity (equivalent to 68.2% of net installed capacity), including 4 GW of new consolidated renewable capacity installed during the year.

(4) Includes managed renewable capacity and BESS. The figure is equivalent to 71% in 2023.

(5) Includes production from managed capacity.



**Sustainable management models are applied to the entirety of the assets under development and operation, and throughout the entire life cycle** (Development, Design & Construction, Operation & Maintenance, Decommissioning), from **site design to construction, from plants operation to their dismantling**. The aim is to identify risks and potential environmental and social impacts on plants and the territory, mitigating their effects through the use of sustainability practices, including, for example, the use of local labor, maximization of recycling of waste produced, reduction of water consumption and CO<sub>2</sub> emissions, as well as performance monitoring through measurement indicators and synthetic indices.

Among the latter, a specific indicator, the **Sustainable Design Index (SDI)**, has been defined and tested for the design and construction phase, which allow the potential social, environmental, and contextual risks to be assessed for new projects, from the design phase onwards, tracking the effectiveness of sustainability actions aimed at reducing them. For operating plants, the **Sustainable Plant Index (SPIN)** has been defined which summarizes, in a single indicator, the performance of power plants with respect to the most relevant environmental (waste, water, energy,

biodiversity) and social aspects, thus making it possible to promote the most virtuous plants to be taken as an example, while at the same time identifying the less virtuous ones on which to intervene, focusing actions on the specific areas of impact.

In 2023, the Sustainable Design and Construction Site model was applied at all construction sites, with 82% of the sustainable practices envisioned under the model adopted at hydroelectric, geothermal, and thermal sites and 96% at the remaining renewable technologies sites<sup>(6)</sup>.

**With the aim of reducing dependence on raw materials, raising market efficiency standards, and improving sustainability at the same time, Enel is promoting greater supply chain diversification of key technologies for the transition.** In particular, in April 2022, Enel Green Power signed a subsidized loan agreement with the European Union for the transformation of 3Sun into a solar panel gigafactory in Catania, Sicily (Italy), which will become Europe's largest factory for the production of high-performance bifacial photovoltaic modules. The gigafactory will make a significant contribution to the growth and maintenance of a solar supply chain in Europe.

### 3Sun Gigafactory: the future of energy takes shape in Catania

*A hub of technological excellence for Italy's energy independence*

The 3Sun photovoltaic module factory in Catania, which was established in 2010 and has grown continuously, is preparing to become a true gigafactory, with annual production capacity that will grow 15-fold, from the previous 200 MW to 3 GW, becoming the largest photovoltaic panel factory

in Europe. The project is funded in part by the EU Innovation Fund, which identified TANGO, *i.e.*, iTalIAN Giga factOry, as one of seven selected initiatives, and by Italy's National Recovery and Resilience Plan (NRRP). 3Sun will enable the relocation of PV industrial value and strategic technological know-how within the territory of the EU, stimulating economic growth in Sicily through the creation of direct jobs and indirect employment opportunities.



(6) Data refer to the number of sustainability practices adopted/number of practices defined in the CSV Plan.

# A safer, more resilient and digitalized power grid

3-3 | EU4 | DMA EU (former EU7) |

**218** min **2.5** no. **67.3%**

SAIDI	SAIFI	CABLING RATIO <sup>(7)</sup>
231 in 2022	2.6 in 2022	60.7% in 2022
<b>-5.8%</b>	<b>-4.6%</b>	<b>+10.9%</b>

**Grids have a key role to play in the energy transition, to fully enable the integration of renewable energy sources, which are intermittent in nature, and to support the transformation of customers' energy uses, in homes, cities and industry.** To this end, investments of 18.6 billion euros are planned over the three-year plan period 2024–2026, half of which are earmarked for improving the quality of the grid, its resilience and digitalization, with more than 30% dedicated to connecting new renewable sources. The Group is committed every day to improving service quality and reliability and reducing the number and duration of outages (SAIDI equal to 161 min in 2026<sup>(8)</sup>).

**An essential infrastructure that is increasingly exposed to extreme weather events and the effects of climate change:** during 2023, Enel's networks suffered significant damage caused by violent weather events, including the floods in northern Italy, where the Company intervened not only to restore services, but also to support local communities in responding to the emergencies themselves. Hence the importance of adapting the infrastructure to extreme weather events in order to continue to provide an essential service for people, businesses and communities, focusing targeted investments, improving the ability to respond to emergencies and maintaining a close relationship with customers in the different Regions and Countries where the Group is present. All of this must also be supported by a regulatory environment that attracts investment and makes this commitment economically and financially sustainable.

To this end, as part of the further development of the Group's Climate Change Adaptation Plan, the mapping of acute climatic phenomena in areas where Enel has distribution activities and the preparation of a catalog of resilient solutions continued in 2023.

**Digitalization and flexibility of networks are also needed to manage more connections of small self-producers.** In a context of increasing distributed renewable generation across the territory, prosumers, *i.e.*, energy producers

who are also consumers, can generate electricity for their own use but also feed it into the grid, becoming energy independent and contributing to renewable energy generation. During 2023, nearly 540,000 new producer and prosumer connections were activated globally, adding 7.9 GW of distributed renewable capacity connected to the Group's grids, reaching a total of about 68 GW of capacity from about 2 million producer and prosumer connections.

**In the context of grids as well, a model of sustainable infrastructure management has been defined which, in addition to environmental aspects (an example of which is the cabling ratio<sup>(7)</sup>), aims to maximize the shared value generated during the design, construction and maintenance activities of the networks.** The Sustainable Infrastructure project launched in 2022 is particularly focused on primary substation construction work, where, in order to standardize the adoption of sustainable initiatives, a Sustainable Site Reference Model tool has been developed, which, integrated into digitalized systems, allows the number and type of solutions implemented at all active sites or in the process of being opened to be monitored, in order to measure their impacts based on four criteria: decarbonization, social impact, environmental impact and circularity.

With the aim of promoting operational efficiency and emissions reduction, the Open Power Grids association, founded in 2022, involved 35 members during 2023 (including grid operators, producers, research institutes and other industry players) in sharing and developing standards and technologies for grid components in order to accelerate the adoption of more efficient, safe and sustainable electricity grids, for faster achievement of the requirements towards the zero emissions ambition. In this regard, the 10 technical committees of Open Power Grids released 13 documents included in the association's platform which will allow economies of scale to be developed in the acquisition of sustainable grid components.

(7) The index is determined by the ratio of the length of cable lines to the total length of lines, representing the reduction of lines in bare conductors, *i.e.*, without insulation, the main benefits of which are the containment of plant cutting activity and a drastic reduction in the risk of electrocution and collision for birds.

(8) SAIDI: System Average Interruption Duration Index. The 2026 target refers to the core perimeter.

**Grid mining & Circular Economy activities continued in 2023** with the aim to reviewing the end-of-life management processes of grid assets from a more sustainable perspective and identifying material recycling and reuse practices, through activities aimed at recovering precious metals and other materials/devices from obsolete infrastructure, in order to minimize environmental impacts and maximize positive social impacts and market value creation (see the “Circular economy” chapter).

The ambition to make grid infrastructures increasingly sustainable is pursued through constant research and development of innovative solutions that allow to rethink assets, their management and their end of life. In particular, following a **Sustainable by design** approach, in 2023, after the identification of the winning projects of the challenges for the innovative redesign of electrical assets, the activities focused on designing new primary and secondary substations, as well as street boxes, the first examples of which were installed in various cities (see the “Innovation” chapter). **Circular projects** focused on maximizing the value of assets, also at the end of their life, include

the DPI New Life Project that E-Distribuzione is carrying out in Italy, which involves the recovery of expired or worn out Personal Protective Equipment to be transformed into secondary raw material that can be used in the construction industry. In terms of grid resilience, a project has been launched to boost connectivity on the grid in rural areas through satellite communication, thus improving the quality of the service offered.

**With the aim of increasing the safety of internal and external personnel and the effectiveness of power grid operations**, key initiatives in 2023 enabled the identification and initial testing of smart and sustainable tools and devices, more comfortable innovative clothing, and robotic solutions to support network height maintenance activities. Additional projects involved drones that enable interaction with power grid components for maintenance and installation activities, as well as the use of artificial intelligence to support operations and reduce risks to people (for more details on the initiatives carried out, see the “Health and safety of people” chapter).



# Electrification of uses

3-3 | DMA EU (former EU24)

**9.6** GW

## DEMAND RESPONSE

8.5 GW in 2022 ↗ **+13.1%**

**24,281** no.

## PUBLIC OWNED CHARGING POINTS<sup>(9)</sup>

22,112 in 2022 ↗ **+9.8%**

**3.26** mil

## PUBLIC LIGHTING POINTS

3.02 mil in 2022 ↗ **+7.8%**

**In order to achieve the goals set out in Enel Group's decarbonization roadmap, action has to be taken also on indirect emissions by leveraging, in addition to suppliers, the gradual change in customer habits** in uptaking more efficient technologies leveraging electricity as a carrier. The energy sector is in the midst of a real revolution, with a strong push toward a new way of producing and consuming energy. Enel X Global Retail is playing a leading role in this transition with an ecosystem of integrated, easy-to-adopt solutions designed around the needs of people, institutions and businesses, enabling customers to make more efficient and conscious energy choices.

Solutions and initiatives include:

- **products for industrial and commercial enterprises**, to help them improve their energy performance and achieve Net Zero goals with technologies to use energy from renewable sources, such as solar panels, the electrification of company car fleets, and the development of services for so-called "flexibility", such as demand response (see the box on the Santa Rosa Water project), the added value of which lies on the one hand in contributing to network stabilization services and on the other in transforming energy from a pure cost to a source of revenue for the end customer<sup>(10)</sup>;
- **products for small and large municipalities** geared toward the development of a citizen-conscious smart city model, more efficient, safe and accessible spaces, with services ranging from smart lighting to energy optimization for public buildings, from electricity and gas supply to solar power generation – also with a view to establishing a renewable energy community – to data and image analysis tools for real-time monitoring of infrastructure and active solutions in urban spaces through the YoUrban digital platform;
- **products for residential customers** that combine savings, comfort, safety and respect for the environment, and that range from the supply of electricity, gas and fiber (see box "Enel Fibra Product of the year") to electric mobility, from cooling and heating technologies to photovoltaic systems for self-generation, all through an integrated structure focused on offering a "bundle" of value-added products and services – such as "Tutto Enel, è Formidabile" in Italy and Spain and "Todo Cuenta" in Spain – in order to simplify customers' lives and respond to different consumption needs.

**In this context, Enel is constantly striving to keep the customer at the center, aiming to improve their experience by caring and listening in order to gain a better understanding of what they need, with the aim of increasing efficiency and loyalty**, taking full advantage of the potential of digital technology for effective interaction. Increased customer loyalty comes from providing a consistent high quality service that is above all personalized by type of customer (B2C, B2B, B2G), so as to enhance the features of the Group's activities and offer solutions that are more responsive to local needs (see the "Customer centricity" chapter).

**With the aim of fostering active management of the Group's customer portfolio**, investments of around 3 billion euros gross have been planned between 2024 and 2026, through geographic refocusing on Italy, Iberia and Latin America and organizational streamlining.

In addition to numerous value-added services, Enel X Global Retail currently provides electricity and gas to around 61 million customers, operates demand response services with 9.6 GW of total contracted capacity, counts 24.3 thousand public charging points for electric vehicles and 3.26 million public lighting points globally.

To ensure that this path is not only environmentally sustainable but also socially inclusive, the Group is committed to designing and developing innovative solutions that leverage the

(9) Note that if the figure shown also included the charging points of companies operated through joint ventures it would be 25,337 as of December 31, 2023, and 22,617 as of December 31, 2022.

(10) Demand response is a tool that allows direct action to be taken on energy generation and consumption levels to cope with supply reductions or peaks in market demand: industrial and commercial customers are paid for their availability, and the electricity grid benefits in terms of stability and greater integration of renewables.

principles of circular economy and social inclusion, as well as the enhancement of the territories. Enel is committed to ensuring access to electricity, even in the most remote areas,

and to providing quality service even to those in vulnerable situations (e.g., due to age, physical condition, economic condition, etc.).

### Enel Fibra Product of the Year

*Enel Fibra was elected Product of the year for innovation*

Enel Fibra won the “Product of the Year” award in the Fiber Telecommunications Services category for new products and services released and marketed between January 2022 and December 2023. The Innovation Award is based solely on consumer voting. Enel Energia entered the connection market with its Enel Fibra product, which enables browsing with a download speed of 1 Gigabit/s, no activation costs and a modem included.



The modem also serves as a hub for Enel X Smart Home devices, allowing access to all smart home features without having to purchase an additional network device.

### Santa Rosa Water in California

*Flexibility, a tool to benefit the power grid and businesses*

Santa Rosa Water, a wastewater collection and treatment company in Santa Rosa, California, participates in the demand response program run by Enel. At peak grid times, when the power supply is insufficient to meet demand, the company receives a notification and within 30 minutes implements its plan to reduce power consumption. By turning off non-essential equipment, it can reduce its load by nearly 2,000 kW, which amounts to more than 50% of the site’s peak power. As a result it helps the grid to avoid blackouts and brownouts while at the same time



being remunerated for its availability: during 2023, following dispatch orders received from the grid operator, it offered an average of 1.3 MW of flexibility (with a peak of 2.6 MW recorded in March 2023), earning a total remuneration of around 100,000 US dollars for participating in the program.

### Enel supplies energy to universities

*Collaboration with academic institutions to self-generate energy*

In Spain Enel supports academic institutions to reduce their energy needs through energy self-generation solutions using renewable sources, such as solar.

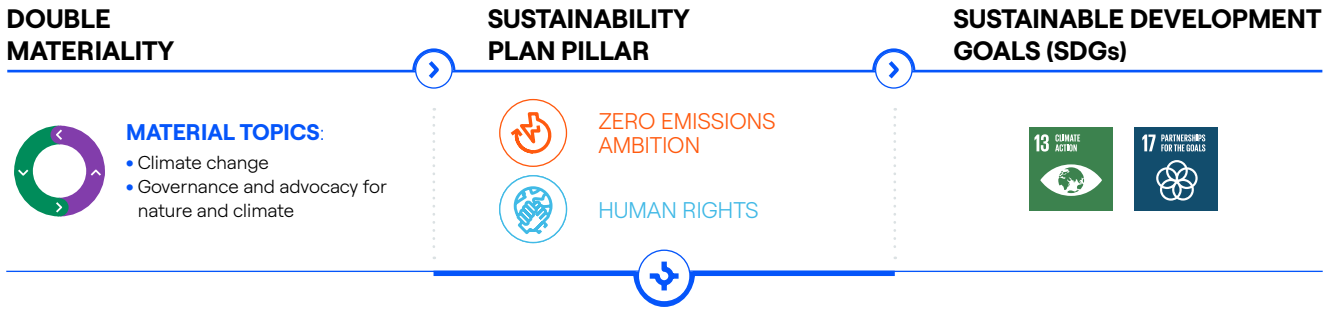
For the University of **Seville**, Enel will build a 2.68 MWp photovoltaic power plant capable of producing 4,073 MWh of electricity per year, covering nearly 33% of the university campus’ energy needs.

For the University of **Granada**, Enel has proposed an integrated solution that will see a 2.65 MWp



photovoltaic power plant generate 4,175 MWh of electricity per year, covering 27.4% of the energy requirements of the various campus centers, and a supply contract that will provide the university with about 11 GWh per year.

# ZERO EMISSIONS AMBITION AND JUST TRANSITION



Enel is committed to achieving zero emissions by 2040, and developing a business model in line with the goals of the Paris Agreement. The Group has therefore established a decarbonization roadmap for both direct and indirect emissions throughout the value chain.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
<b>ALIGNMENT TO THE 1.5 °C PATHWAY - ENEL'S ROADMAP FOR DECARBONIZATION TO 2040</b>			
Reduction in Scope 1 GHG emissions Intensity relating to Power Generation <sup>(1)(2)(3)</sup>	<b>160 gCO<sub>2eq</sub>/kWh</b> (-56.2% vs 2017) <sup>(4)</sup> <i>The 2023 target of 148 gCO<sub>2eq</sub>/kWh was not achieved<sup>(5)</sup>.</i>	<b>125 gCO<sub>2eq</sub>/kWh</b> in 2026 (-66% vs 2017) <b>72 gCO<sub>2eq</sub>/kWh</b> in 2030 (-80% vs 2017)	<b>13</b>
Reduction in Scope 1 and 3 GHG emissions Intensity relating to Integrated Power <sup>(1)(2)(6)</sup>	<b>168 gCO<sub>2eq</sub>/kWh</b> (-49.3% vs 2017) <sup>(4)</sup>	<b>135 gCO<sub>2eq</sub>/kWh</b> in 2026 (-59% vs 2017) <b>73 gCO<sub>2eq</sub>/kWh</b> in 2030 (-78% vs 2017)	<b>13</b>
Reduction in Absolute Scope 3 GHG emissions relating to Gas Retail <sup>(1)(2)</sup>	<b>16.8 MtCO<sub>2eq</sub></b> (-33.5% vs 2017) <sup>(4)</sup>	<b>20.0 MtCO<sub>2eq</sub></b> in 2026 (-21% vs 2017) <b>11.4 MtCO<sub>2eq</sub></b> in 2030 (-55% vs 2017)	<b>13</b>
Reduction in additional absolute GHG emissions (Scope 1+2+3) <sup>(1)(7)</sup> Target scope 2017-2030	<b>11.9 MtCO<sub>2eq</sub></b> (-48.6% vs 2017)	<b>10.4 MtCO<sub>2eq</sub></b> in 2030 (-55% vs 2017)	<b>13</b>
MBA-PhD training about resilience and energy transition in the countries where the Group operates	<b>204</b> people involved	<i>Activity under review</i>	<b>13 17</b>

(1) 2017 baseline in line with the 2023–2025 and 2024–2026 long-term SBTi certification issued in 2022. Refer to the 2022 Sustainability Report for further details.  
 (2) Target included in Sustainability-Linked financial instruments.  
 (3) Target included in the remuneration plan as a gate.  
 (4) Indicator subjected to reasonable assurance.  
 (5) Due to the energy crisis, the intensity was slightly above the target of 148 gCO<sub>2eq</sub>/kWh. In absence of this effect, Enel would have been able to achieve an intensity emission level well below the target. Enel has reconfirmed its commitment to decarbonization in both the short- and medium-to-long term, as set out in the new 2024–2026 Strategic Plan.  
 (6) Target included in the 2023–2025 and 2024–2026 long-term remuneration plan.  
 (7) Figure relating to the 2017–2030 roadmap. Refer to the paragraph “Enel’s roadmap to decarbonization” for more details.



N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# ZERO EMISSIONS AMBITION AND JUST TRANSITION



**94.3** MtCO<sub>2eq</sub>

**TOTAL GROUP  
CARBON FOOTPRINT  
(SCOPE 1, 2 AND 3)**

127.9 in 2022  **-26.3%**

**160** gCO<sub>2eq</sub>/kWh

**SCOPE 1 GHG EMISSIONS  
INTENSITY RELATING TO POWER  
GENERATION**

229 in 2022  **-30.1%**

**168** gCO<sub>2eq</sub>/kWh

**SCOPE 1 AND 3 GHG EMISSIONS  
INTENSITY RELATING TO  
INTEGRATED POWER**

210 in 2022  **-20.0%**

**16.8** MtCO<sub>2eq</sub>

**ABSOLUTE SCOPE 3 GHG  
EMISSIONS RELATING  
TO GAS RETAIL**

20.6 in 2022  **-18.6%**

**68.2%**

**RENEWABLE NET  
CAPACITY OUT  
OF THE TOTAL**

63.3% in 2022  **+7.7%**

Enel is committed to developing a **business model in line with the Paris Agreement (COP 21) goals** in order to limit the average global temperature increase to below 1.5 °C and to achieve zero emissions by 2040, even ahead of globally established commitments, promoting the key role of electricity as an energy carrier to drive the transition to a Net Zero global economy by 2050.

In order to achieve zero emissions by 2040, Enel has defined a decarbonization roadmap that covers **both direct and indirect emissions along the Group's entire value chain** and consists of four targets certified by the Science Based Targets initiative (SBTi), in line with limiting global warming to below 1.5 °C.

Through its **business strategy**, the Group is committed to establishing the drivers and investments necessary to develop climate change mitigation and adaptation actions throughout its value chain. Specifically, with regard to **generation**, the Group is committed to promoting the development of electricity generation from renewable sources and completing the gradual phase-out of fossil fuels. With regard to **electricity distribution**, Enel is committed to digitalizing and improving the network to increase its resilience to climate phenomena. The Group plans to strengthen the role of distribution networks, which in the future will

have to offer greater reliability due to the increased use of electricity and of green technologies, and will also leverage the power of digitalization so that it can offer inclusive and participatory platforms for all customers. The challenge will be to facilitate access to enabling technologies for electrification as well as new services with high digital content.



**Enel aims at driving its customers towards a decarbonized electrification of use.** First, by increasing the weight of electricity use from renewable sources, Enel customers will reduce their indirect emissions (Scope 2 customer emissions), and second, by developing a portfolio of products and services to accelerate the electrification of other sectors, such as transportation and construction, while fostering energy efficiency solutions, customers will also reduce their direct emissions (Scope 1 customer emissions).

There is a particular focus on **climate change adaptation strategy** 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. Adaptation solutions implemented by the Group may concern actions in the short-term, as well as long-term decision making such as the planning of investments in response to climate phenomena.

Rising temperatures, changes in precipitation patterns and extreme weather events also have a significant impact on the natural environment, by affecting the ecosystems resilience to climate change impacts and the ability to capture carbon and generate benefits for society. Therefore, Enel's business model takes a synergic approach to tackling climate change and **promoting the protection and conservation of nature**, which are essential factors in its corporate strategy and everyday operations.

Aware of the social impact that its decarbonization strategy has, the Group has committed to a just energy transition, managing the environmental and social components in an integrated way to ensure that no one is left behind in the transition in a climate neutral economy. In fact, a well-managed transition may help addressing the socio-economic impacts of a changing climate while fostering growth, generating net new jobs, and reducing inequality, thereby making a real contribution to achieving the UN 2030 Agenda.

Enel's strong presence in the territory and its business enable a just transition roadmap based on ongoing dialogue with all the affected stakeholders, including Enel people, suppliers, financial and commercial partners, communities in the area of influence of operations, and customers, in order to raise their awareness and to provide a valuable contribution from an ecosystemic standpoint.

To this end, **Enel** in 2019 **signed the United Nations Pledge letter on business commitment to a just transition and green and decent jobs**, committing to:

- promoting multi-stakeholder engagement and social dialogue with institutions, workers' and their representatives, respecting workers' rights, encouraging social protection (including pensions and health care), and

providing wage guarantees, in line with the core and occupational health and safety standards of the International Labor Organization (ILO);

- working with existing and new suppliers that respect these standards, supporting them to increase their resilience in a transitioning economy, while advocating and acting for diversification of the supply chain of technologies critical to net zero achievement;
- contributing to the social and economic development of local communities, particularly so in the case of those most exposed to the transition out from fossil fuels and into green technologies;
- supporting customers in their electrification journey while at the same time allowing for an affordable, secure and green access to energy.

Furthermore, the Group confirmed its **commitment in line with the Paris Agreement**, during the United Nations Framework Convention on Climate Change – COP 27. The Group signed, jointly with other 270 corporates and civil society leaders, a declaration reciting **“We stand ready to deliver a just transition and an equitable and inclusive future for all. We want to work with governments in building an enduring legacy based on our collective efforts to secure 1.5 °C”**.

Therefore, the Group has defined concrete actions and plans also at country level, and consistently with the Group's strategy. Such plans are based on the objectives of the Paris Agreement, the principles of the ILO's Just Transition Guidelines and the United Nations Pledge letter, as well as on the public commitment set out in the Group Human Rights Policy.

**Enel is committed to carrying out its direct and indirect public advocacy actions in line with the Paris Agreement and with the target of limiting global warming to within 1.5 °C.** The Group pursues such goal by engaging with institutional stakeholders, trade associations, non-governmental organizations and the academic world, promoting the Group's perspective on public policies concerning climate change and leading the decarbonization and electrification process along a just transition pathway.

In addition, as a result of a solid corporate governance system that defines roles and responsibilities, **Enel's Board of Directors and Management oversee the main climate-related decisions.**

In order to ensure increasing **transparency in its communications** and relations with its stakeholders, Enel is publicly committed to periodically reporting on its climate change activities and achievements in line with the most widely recognized **international reporting standards** of its stakeholders and consistent with the approach introduced by the recommendations of the Financial Stability Board's Task Force on Climate-related



Financial Disclosures (TCFD)<sup>(1)</sup>. It pays particular attention to the new **Corporate Sustainability Reporting Directive (CSRD)** and the **European Sustainability Reporting Standards (ESRS)**, which are an essential part of the Directive and which include specific criteria on climate change reporting procedures. In addition to Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB)

standards, Enel's reporting process also incorporates other voluntary standards, such as IFRS S2 "Climate-related Disclosures", the first thematic standard of the ISSB which requires companies to disclose information regarding their exposure to climate-related risks and opportunities. The Group also takes into account the reporting requirements of key **ESG ratings** and institutional investors.

## Enel's roadmap to decarbonization

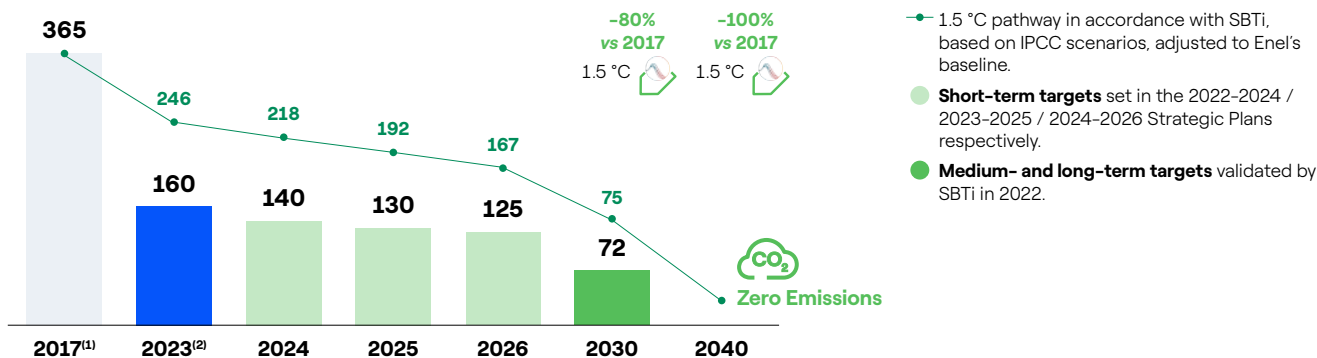
### TCFD: Metrics & Targets

**Enel's decarbonization roadmap is built on four targets** validated by the Science Based Targets initiative in 2022 according to the criteria and recommendations for near-term targets and to the SBTi Corporate Net Zero standard. All targets are aligned to a 1.5 °C pathway, as defined by the SBTi, according to IPCC scenarios and other international benchmarks. They also cover the Group various business activities, namely the generation and distribution of electricity and the sale of electricity, gas and services to end customers, and the various sources of direct and indirect emissions along the entire value chain (upstream and downstream).

The four targets are the following:

- **Scope 1 GHG emissions Intensity relating to Power Generation.** This target covers all greenhouse gas emissions (including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) deriving from the power generation process compared to the total electricity generated by the Group (excluding the generation of electricity from pure pumped storage hydro-power to avoid possible double counting in the Scope 2 emissions target). The targets for 2030 and 2040 were defined according to SBTi's "sectoral decarbonization approach" (SDA) model, and predict a reduction, compared to 2017, of 80% and 100%, respectively.

### SCOPE 1 GHG EMISSIONS INTENSITY RELATING TO POWER GENERATION (gCO<sub>2eq</sub>/kWh)



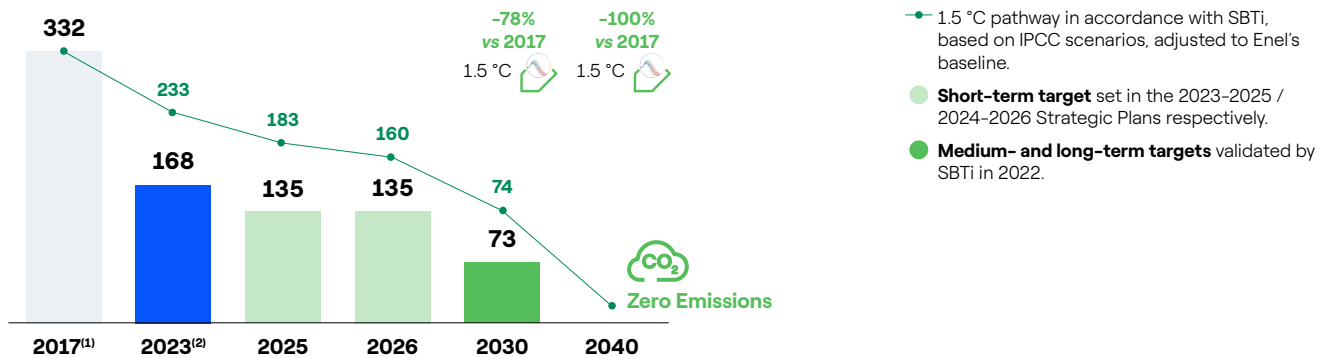
(1) Baseline 2017 in line with SBTi certification issued in 2022. For further details see the Sustainability Report 2022 ([https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report\\_2022.pdf](https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report_2022.pdf)).  
 (2) Actual figure. For further details, please refer to the paragraph "Enel's performance in tackling climate change" in this chapter.

(1) For details on the alignment of the structure of the chapter with the TCFD recommendations, please see the TCFD Content Index of the Sustainability Report 2023.

- **Scope 1 and 3 GHG emissions Intensity relating to Integrated Power.** This target is calculated by combining the Group's direct GHG emissions (Scope 1, including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) from power generation and the Group's indirect GHG emissions (Scope 3) from the generation of electricity purchased and sold to end customers (which is an element of subcategory 3

- Fuel and Energy Related Activities of the GHG protocol - Scope 3 standard), divided by electricity generation and purchases (excluding pure pumped storage hydropower). The targets for 2030 and 2040 were defined according to SBTi's "sectoral decarbonization approach" (SDA) model and predict a reduction, compared to 2017, of 78% and 100%, respectively.

## SCOPE 1 AND 3 GHG EMISSIONS INTENSITY RELATING TO INTEGRATED POWER (gCO<sub>2eq</sub>/kWh)

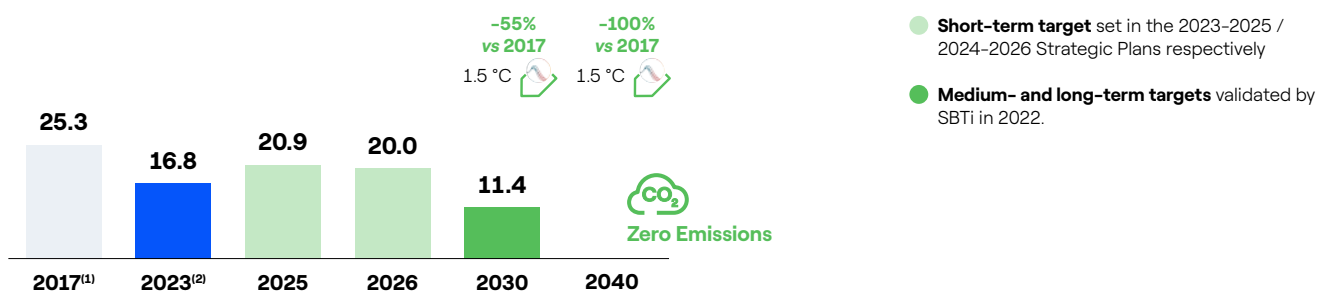


- (1) Baseline 2017 in line with SBTi certification issued in 2022. For further details see the Sustainability Report 2022 ([https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report\\_2022.pdf](https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report_2022.pdf)).
- (2) Actual figure. For further details, please refer to the paragraph "Enel's performance in tackling climate change" in this chapter.

- **Absolute Scope 3 GHG emissions relating to Gas Retail in the end-user market.** The targets for 2030 and 2040 were defined according to SBTi's "absolute contraction

approach" and predict a reduction, compared to 2017, of 55% and 100%, respectively.

## ABSOLUTE SCOPE 3 GHG EMISSIONS RELATING TO GAS RETAIL (MtCO<sub>2eq</sub>)



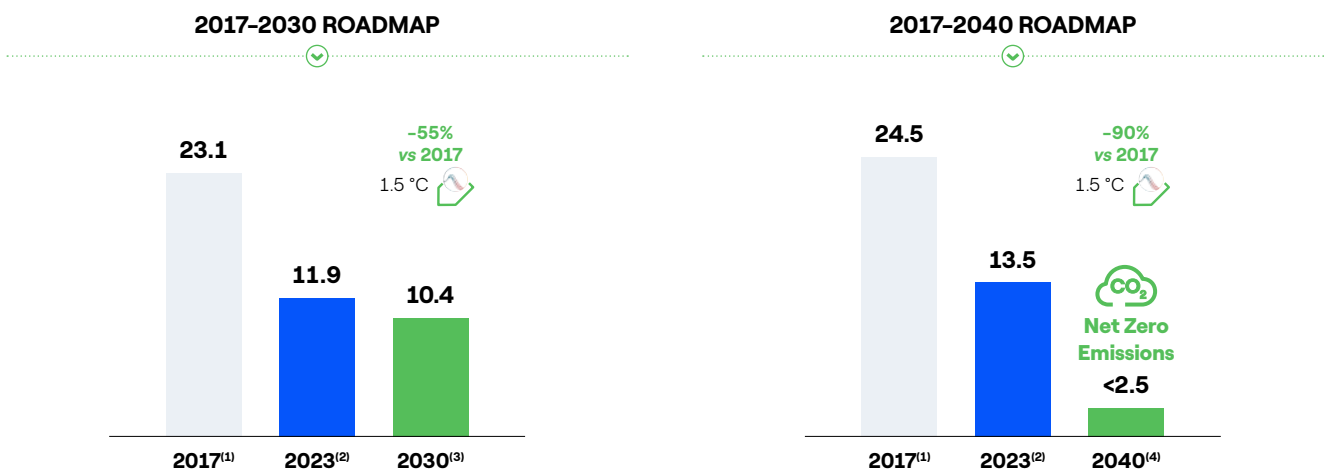
- (1) Baseline 2017 in line with SBTi certification issued in 2022. For further details see the Sustainability Report 2022 ([https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report\\_2022.pdf](https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report_2022.pdf)).
- (2) Actual figure. For further details, please refer to the paragraph "Enel's performance in tackling climate change" in this chapter.

- **Additional absolute Scope 1, 2 and 3 emissions.** The target covers (i) Scope 1 GHG emissions from vehicle fleet and buildings, and losses of SF<sub>6</sub> in distribution assets; (ii) all Scope 2 emissions; (iii) Scope 3 emissions from the supply chain and all other activities related to the purchase and transportation of fuels. The targets for 2030 and 2040 have been defined according to SBTi's "absolute contraction approach" model, and include a reduction, compared to 2017, of 55% and 90%, respectively. After 2040, a residual volume could remain of less than 2.5 MtCO<sub>2eq</sub> to be neutralized through carbon removal.

Furthermore, provision is made for various levels of coverage of supply chain GHG emissions for the 2030 and 2040 targets permitted by the SBTi, resulting in two decarbonization curves:

- the 2017-2030 roadmap covers specific supply chain categories that accounted for 40% of supplier emissions in 2017;
- the 2017-2040 roadmap covers all supply categories included in the 2017-2030 roadmap and additional ones, which account for 54% of supplier emissions in 2017.

## ADDITIONAL SCOPE 1-2-3 EMISSIONS (MtCO<sub>2eq</sub>)



● **Medium- and long-term targets** validated by SBTi in 2022.

- (1) Baseline 2017 in line with SBTi certification issued in 2022. For further details see the Sustainability Report 2022 ([https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report\\_2022.pdf](https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/2022/sustainability-report_2022.pdf)).
- (2) Actual figure. For further details, please refer to the paragraph "Enel's performance in tackling climate change" in this chapter.
- (3) The 2017-2030 roadmap covers specific supply chain categories that accounted for 40% of supplier emissions in 2017.
- (4) The 2017-2040 roadmap covers all supply chain categories included in the 2017-2030 roadmap and additional ones, which accounted for 54% of supplier emissions in 2017.

The four targets cover 92.2%<sup>(2)</sup> of Enel's total reported direct and indirect GHG emissions in 2023, including 95.5% of Scope 1, 100% of Scope 2, and 90%<sup>2</sup> of Scope 3, as

shown in the tables below, in line with the SBTi requirements.

(2) This value takes into account the 2040 targets. In contrast, for the 2030 targets, the coverage level for all direct and indirect emissions is 90.5% and the coverage level for indirect Scope 3 emissions is 87%, both in line with SBTi requirements and calculated using the location-based model.







## ZERO EMISSIONS AMBITION

Enel is committed to achieving zero emissions by 2040 and to developing a business model that is in line with the objectives of the Paris Agreement (COP 21) to limit the average increase in global temperatures to below

1.5 °C. For this reason, the Group has developed a decarbonization roadmap that covers both direct and indirect emissions throughout the value chain. The roadmap includes four targets certified by the Science Based Targets initiative (SBTi) in December 2022 to be in line with the Net Zero Standard.

### GHG TARGET







### Scope 1 GHG emissions Intensity relating to Power Generation







<b>Primary business activity</b>	Electricity generation		
<b>Type of activity in value chain</b>	Direct		
<b>Stakeholders impacted or involved</b>	<ul style="list-style-type: none"> <li>• Customers and power consumers</li> <li>• Society and environment</li> </ul>		
<b>Sources of covered GHG (GHG Protocol)<sup>(1)</sup></b>	95% of Scope 1 GHG emissions <sup>(2)</sup>		
<b>Time frame</b>	 Short term (2026)	 Medium term (2030)	 Long term (2040)
<b>GHG target</b>	125 gCO <sub>2eq</sub> /kWh	72 gCO <sub>2eq</sub> /kWh	0 gCO <sub>2eq</sub> /kWh <b>Zero emissions</b>
<b>% reduction on 2017 (SBTi baseline)</b>	-66%	-80%	-100%
<b>% reduction on 2023 (reporting year)</b>	-22%	-55%	-100%
<b>Climate scenario</b>	 1.5 °C <sup>(3)</sup>	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)
<b>Primary drivers and actions</b>	<ul style="list-style-type: none"> <li>• Gradual phase-out of coal-fired capacity in 2024-2026, with planned closure of the Federico II and Torvaldaliga Nord plants in Italy (with a total capacity of about 3.6 GW).</li> <li>• Investment of €12.1 billion to accelerate the development of renewable energy by installing 13.4 GW of new renewables capacity (about 11.3 GW of which at the consolidated level) in 2024-2026, reaching 73 GW of renewables capacity (including BESS) by 2026.</li> <li>• Continue the process of decarbonizing electricity generation, with the share of renewables plants capacity in the Enel asset portfolio reaching 78% in 2026, with zero-emissions generation amounting to 86% of the total, including consolidated and managed generation.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue the process of decarbonizing electricity generation, with Group investments raising the share of renewables plants capacity in the asset portfolio to about 85% in 2030, with zero-emissions generation amounting to 90% of the total, including consolidated and managed generation.</li> <li>• Exit from coal-fired generation, which is expected to take place by 2027 globally.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Exit from the thermal electricity generation business, achieving a 100% renewable energy mix.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>





### KPI achievement in 2023: 160 gCO<sub>2eq</sub>/kWh

### Results and main actions in 2023

- About €5.9 billion invested in renewables in 2023.
- New installed consolidated capacity from renewables equal to 4 GW in 2023, bringing total consolidated capacity to 55.5 GW in 2023.
- Increase in consolidated generation from renewables equal to 13% on 2022, representing 61% of total consolidated generation in 2023.
- Reduction of thermal capacity by approximately 5.1 GW compared to 2022, including the closure of two coal-fired plants (for a total of about 2 GW) and the sale of gas plants in Argentina (for a total of about 3 GW) and Colombia (for a total of about 0.2 GW).
- Reduction of thermal generation by 38% compared to 2022 (specifically, with a 45% reduction in coal-fired generation), representing 27% of total generation in 2023.

GHG TARGET		Scope 1 and 3 GHG emissions Intensity relating to Integrated Power		
Primary business activity	Sale of electricity			
Type of activity in value chain	<ul style="list-style-type: none"> <li>• Direct (electricity generation)</li> <li>• Upstream value chain (purchase of electricity from other generators for sale to end users)</li> </ul>			
Stakeholders impacted or involved	<ul style="list-style-type: none"> <li>• Customers and power consumers</li> <li>• Electricity generators (peers)</li> <li>• Society and environment</li> </ul>			
Sources of covered GHG (GHG Protocol) <sup>(1)</sup>	<ul style="list-style-type: none"> <li>• 95% of Scope 1 GHG emissions</li> <li>• 42% of Scope 3 GHG emissions (representing 78% of Scope 3 GHG emissions – category 3)</li> </ul>			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	135 gCO <sub>2eq</sub> /kWh	73 gCO <sub>2eq</sub> /kWh	0 gCO <sub>2eq</sub> /kWh Zero emissions	
% reduction on 2017 (SBTi baseline)	-59%	-78%	-100%	
% reduction on 2023 (reporting year)	-20%	-57%	-100%	
Climate scenario	 1.5 °C <sup>(3)</sup>	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none"> <li>• Increase the share of renewable energy sold to customers, while increasing the Group's renewables production and optimizing customer portfolio, continuing supply and demand balancing strategy.</li> <li>• In Europe, increase the share of fixed-price energy sales to end users covered by zero-emissions sources from about 65% in 2023 to more than 80% in 2026.</li> <li>• In Latin America, maintain 100% zero-emissions sales to end users (including through PPAs).</li> <li>• In North America, maintain 100% zero-emissions sales to end users.</li> <li>• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation from 75% in 2023 (including managed capacity) to 86% of total in 2026, including consolidated and managed capacity.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue the strategy of balancing supply and demand and increase the share of electricity sold at a fixed price covered by carbon-free generation.</li> <li>• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation to about 90% of the total in 2030.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• By 2040, achieve 100% of electricity sales covered by renewables.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	
Results and main actions in 2023	<p style="text-align: center;"><b>KPI achievement in 2023: 168 gCO<sub>2eq</sub>/kWh</b></p> <ul style="list-style-type: none"> <li>• 13% increase in Group consolidated renewables generation in 2023 compared to 2022.</li> <li>• 7% reduction in the gap between sale of electricity to end users and own generation in the countries in which the Group has an integrated position in 2023 compared to 2022.</li> </ul>			

GHG TARGET		Absolute Scope 3 GHG emissions relating to Gas Retail		
Primary business activity	Sale of gas to end users			
Type of activity in value chain	• Downstream value chain			
Stakeholders impacted or involved	• Gas customers • Society and environment			
Sources of covered GHG (GHG Protocol) <sup>(1)</sup>	• 30% of Scope 3 GHG emissions (corresponding to 100% of Scope 3 GHG emissions – category 11)			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	20.0 MtCO <sub>2eq</sub>	11.4 MtCO <sub>2eq</sub>	0 MtCO <sub>2eq</sub> <b>Zero emissions</b>	
% reduction on 2017 (SBTi baseline)	-21%	-55%	-100%	
% reduction on 2023 (reporting year)	– <sup>(4)</sup>	-32%	-100%	
Climate scenario	 n.a. <sup>(5)</sup>	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none"> <li>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) from 2.65 MWh in 2023 to about 2.9 MWh in 2026, thereby increasing the electrification rate of customers.</li> <li>• Allocate 32% of investment in grids in 2024–2026 to connections, also to enabling the expansion of distributed generation, thereby promoting the electrification of end users' energy consumption. The number of connections to distributed generation is forecast to double in the period, reaching 4 million in 2026.</li> <li>• Reduce the volumes of gas sold to customers to around 8.4 billion cubic meters in 2026.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) to about 3.5 MWh in 2030, thereby increasing the electrification rate of customers.</li> <li>• Continue to invest in distribution networks, supporting the growth of distributed generation, thereby promoting the electrification of end users' energy consumption, reaching 6 million connections to distributed generation in 2030.</li> <li>• Optimize the customer gas portfolio (industrial customers in particular), continuing to reduce the volume of gas sold to about 5.3 billion cubic meters in 2030.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• By 2040, achieve 100% of energy sales covered by renewables.</li> <li>• Exit retail gas sales business by 2040.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	
Results and main actions in 2023	<p style="text-align: center;"><b>KPI achievement in 2023: 16.8 MtCO<sub>2eq</sub></b></p> <ul style="list-style-type: none"> <li>• 6.2 million gas customers in 2023, with a reduction of 6% compared to 2022.</li> <li>• 8.3 bcm on Gas sales in 2023, with a reduction of 19% compared to 2022.</li> <li>• 3.6 million new connections in 2023.</li> </ul>			

GHG TARGET	Additional Scope 1, 2 and 3 emissions	
<b>Primary business activity</b>	<ul style="list-style-type: none"> <li>• Electricity distribution (Scopes 1 and 2)</li> <li>• Management of vehicle fleet, buildings and other assets (Scopes 1 and 2)</li> <li>• Supply chain management (Scope 3)</li> <li>• Purchase of fuels (Scope 3)</li> </ul>	
<b>Type of activity in value chain</b>	<ul style="list-style-type: none"> <li>• Direct (electricity distribution and management of vehicle fleet, buildings and other Group assets)</li> <li>• Upstream value chain (supply chain for products and services and fuel business)</li> </ul>	
<b>Stakeholders impacted or involved</b>	<ul style="list-style-type: none"> <li>• End users and electricity consumers</li> <li>• Electric utilities (peers)</li> <li>• Suppliers of goods and services</li> <li>• Oil&amp;gas suppliers</li> <li>• Society and environment</li> </ul>	
<b>Sources of covered GHG (GHG Protocol)<sup>(1)</sup></b>	<ul style="list-style-type: none"> <li>• 0.5% of Scope 1 GHG emissions</li> <li>• 100% of Scope 2 GHG emissions</li> <li>• Target 2030<sup>(6)</sup>: 15% of Scope 3 GHG emissions (representing 17% of Scope 3 emissions - category 1 and 22% of Scope 3 emissions - category 3)</li> <li>• Target 2040<sup>(6)</sup>: 18% of Scope 3 GHG emissions (representing 35% of Scope 3 emissions - category 1 and 22% of Scope 3 emissions - category 3)</li> </ul>	
<b>Time frame</b>	 Medium term (2030)	 Long term (2040)
<b>GHG target</b>	<b>10.4 MtCO<sub>2eq</sub></b>	<b>&lt;2.5 MtCO<sub>2eq</sub></b> <b>Net zero emissions</b>
<b>% reduction on 2017 (SBTi baseline)</b>	-55%	-90%
<b>% reduction on 2023 (reporting year)</b>	-12%	-83%
<b>Climate scenario</b>	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)
<b>Primary drivers and actions</b>	<ul style="list-style-type: none"> <li>• Investment of €18.6 billion in grids over the 2024-2026 period, of which 50% are to improve grid resilience, quality and digitalization, thereby helping to reduce grid losses and related greenhouse gas emissions. Replace existing distribution grid infrastructure components with SF<sub>6</sub>-free solutions.</li> <li>• Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.</li> <li>• Phase-out coal-fired generation by 2027, mitigating all GHG emissions related to coal supply.</li> <li>• No use of carbon-removal technologies to achieve the target.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote grid digitalization and replace existing distribution grid infrastructure components with SF<sub>6</sub>-free solutions.</li> <li>• Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.</li> <li>• Eliminate emissions connected with gas extraction activities, as the Group has fully exited gas-fired generation and sale of gas to end users.</li> <li>• Neutralize the residual amount through carbon-removal actions (purchase of certificates linked to nature-based or technology-based projects in voluntary carbon markets, in accordance with international standards) if complete mitigation of emissions is not feasible due to exogenous factors (technological, market or regulatory).</li> </ul>
<b>KPI achievement in 2023: 11.9 MtCO<sub>2eq</sub> (for 2017-2030 target scope) and 13.5 MtCO<sub>2eq</sub> (for 2017-2040 target scope)<sup>(6)</sup></b>		
<b>Results and main actions in 2023</b>	<ul style="list-style-type: none"> <li>• €5.4 billion invested in the grid in 2023.</li> <li>• 43% reduction in coal consumed in thermoelectric power plants.</li> <li>• 41% reduction in volume of gas consumed in thermoelectric power plants compared with 2022 (due also to the sale of gas plants in Russia and Argentina), and 19% reduction in volume of gas sold to end users compared with 2022.</li> <li>• 8% reduction in electricity consumption in Group power plants and buildings.</li> <li>• 24% reduction in emissions intensity (tCO<sub>2eq</sub>/€mil) in supply chain in 2023 compared with 2022, reaching 684 tCO<sub>2eq</sub>/€mil.</li> </ul>	

## TOTAL COVERAGE OF SCOPES 1-2-3 EMISSIONS IN 2023

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- **95.5%** of Scope 1 GHG emissions (2026, 2030 and 2040 targets)
- **100%** of Scope 2 GHG emissions (2030 and 2040 targets)
- **87%** (2017-2030 target) and **90%** (2017-2040 target) of Scope 3 GHG emissions<sup>(6)</sup>

(1) Percentages based on total GHG emissions in 2023.

(2) Excludes marginal Scope 1 GHG emissions not directly related to the combustion of fossil fuels in electricity generation at thermal plants. These emissions also include the use of auxiliary services in distribution operations. In particular, in 2023 there was an extraordinarily high use of these services in Brazil to deal with the meteorological emergency that occurred in São Paulo in November 2023, which caused the interruption of grid operations. However, 95.8% of Scope 1 and Scope 2 GHG emissions are covered by all of the above targets, greater than the 95% threshold required by SBTi and GHG Protocol.

(3) The target is in line with the 1.5 °C pathway set by the SBTi for the electrical services industry (Sectoral Decarbonization Approach, or SDA), although it could not be officially validated because the SBTi does not certify targets over a time frame of less than five years from the presentation date.

(4) In 2023, gas sales decreased considerably compared with previous years. Furthermore, a methodological change in the use of conversion factors has been implemented. These two factors produced a value below the target expected for 2026.

(5) The target could not be officially validated because the SBTi does not validate targets over a time frame of less than five years from the presentation date. In addition, the SBTi has not defined a sectoral decarbonization approach for these types of emissions, so the ambition level cannot be verified.

(6) Two different percentage limits have been set for the target for Scope 3 GHG emissions from the supply chain, as allowed by SBTi, which required coverage of at least 67% of Scope 3 emissions for the 2030 target, and at least 90% for the 2040 target.





# Enel's roadmap for a just transition

Enel's roadmap for a just transition hinges on three pillars:

- **engagement with internal and external stakeholders** in order to increase their awareness and develop a constructive dialogue that can provide a valuable contribution to the transition itself;
- **transition out** of high-carbon activities, with the development of activities to support the vocational requalification, retraining, and self-learning of direct and indirect workers, to support business diversification and greater resilience of the supply chain, to foster the so-

cio-economic development of communities in the area of influence of its operations and to help customers to quit conventional technologies;

- **transition into** green technologies, facilitating access to new job opportunities for direct and indirect workers, and developing inclusive and accessible solutions for communities and customers through user-friendly services and offerings that reduce complexity and costs, while getting consumers to increase control over their consumption.



## ENEL PEOPLE

Social dialog, social protection and wage guarantees, in line with ILO standards



## SUPPLIERS

Support for increasing resilience in the transitioning economy and the diversification of 'net-zero' critical technologies



## COMMUNITIES

Contribution to socio-economic development, with a focus on those transitioning away from fossil fuels generation



## CUSTOMERS

Support in electrification journey and to access affordable, secure and green energy

### TRANSITION OUT



Upskilling/reskilling, redeployment, sharing of knowledge

Joint work on circular and low carbon supply models + upskilling/reskilling for workers whose jobs may disappear

Development of individual and multi-stakeholder activities to manage challenges and create shared value opportunities

Analysis of barriers and intervention areas to facilitate dropping out of conventional technologies

### TRANSITION IN



Upskilling/reskilling to green jobs and digital

Supplier development program (managerial and technical training to foster business reconversion and internationalization)

Access to credit, inclusive business products, training aimed at facilitating access to employment and gender-gap reduction

Empowerment and accessible and inclusive transition

Cross and tailored stakeholder engagement

## Stakeholders' engagement

Enel promotes broad engagement with internal and external stakeholders aimed at enhancing their awareness and developing a constructive dialogue that can contribute valuably to a just transition.

Awareness raising campaigns are a focal element to empower stakeholders in the transition to net zero, with particular attention to the most vulnerable. These activities to this end are tailored to:

- people working in the organization, to support their commitment and sense of purpose as well as nurturing a culture of inclusion;
- suppliers, to support their path of change and growth

## Transition out

Enel has set out a clear roadmap for decarbonizing its energy mix and, in this context, it takes into account the needs of direct and indirect workers, communities, suppliers and customers, and is committed to inclusive practices through initiatives in which individual conditions, economic and social development and the general wellbeing of the community are closely linked.

Consistently with its commitment to a just transition, Enel has developed a plan in order to support stakeholders who may be negatively affected by the decarbonization pathway. Specifically, the plan for exiting thermal generation entails:

- Enel people | maintaining and developing skills and know-how transfer:
  - agreed redeployment based on individual characteristics either in the same Business Line, on the renewable side, or in other Business Lines, in order to enhance human capital and know-how. In this regard, agreed redeployment (which also involves workers' representative bodies) is accompanied by reskilling and upskilling plans for strengthening existing skills

since the transformation of the energy sector coupled with the push on digital requires a different approach to executing works or providing goods and services;

- local communities in the Company's area of influence with whom it is in place a structured approach to set up a broad, inclusive and ongoing dialogue to identify shared solutions. Enel is, in fact, committed to ensuring that new projects related to the decarbonization process are developed in consultation with the communities affected to seek their consent;
- customers, whose active participation to the transition needs to be fostered and supported.

or developing new skills needed in the new role. Re-deployment does not negatively affect the contract type and the wages of those concerned;

- voluntary access to early retirement plans for those who are eligible.
- Site repurposing/regeneration:
  - replacement of thermal power plants with renewable or hybrid plants, *i.e.*, a combination of green technologies such as, for example, renewables, storage, hydrogen; land reclamation and maximization of the reuse of abandoned structures, such as roads, infrastructure, high-voltage connections, buildings, etc., in line with Enel's circular economy principles;
  - engagement with affected communities and development of multi-stakeholder projects to foster the creation of shared value throughout the project, from the preliminary talks to the choice of which redevelopment projects to pursue;
  - third-party projects not in energy fields that meet the needs of the communities in which the facilities are located.

## 2023

**30%** of people leaving coal-fired plants in 2023 have been redeployed and have attended upskilling/reskilling programs; the remaining **70%** have retired or have been involved in early retirement programs

Redeployed coal plants people:

**~80%** within the Enel Green Power and Thermal Generation perimeter

**~20%** in other Enel business areas

## 2024-2026

**80%** of people leaving coal-fired plants will be redeployed and the remaining **20%** will be involved in early retirement plans

Overall reskilling and upskilling dedicated to total Enel people: up to **40%**

Strengthening of the “internal training” approach

## Transition in

Similarly to transition out, the path to a ‘green’ and digital future must also be led in an inclusive way to enable all stakeholders to seize the opportunities and manage the risks involved. Like actions to promote requalification, vocational training, and self-learning, in the case of direct

and indirect workers, support for business diversification and increased resilience for supply chain companies, as well as generation of value for communities, through access to local job opportunities, and facilitating access to products and services for customers.

## Enel people | Lifelong learning

The rapid and continuous evolution of the business and the support to a fair transition strategy towards low carbon technologies and services entail the need for new technical and professional profiles and the awareness that some jobs will disappear. In this context, lifelong learning becomes essential. Empowerment becomes therefore crucial to evolve culturally, because it allows to fully involve people, motivating them to express their potential, while at the same time providing them with opportunities for personal and professional development, and contributing to create conditions of well-being, motivation, responsibility and participation that will enable the achievement of strategic objectives.

Among the initiatives implemented:

- retraining and professional updating, up/reskilling, self-learning and knowledge transfer. The various schools & academies of Enel’s Business Lines have organized existing skills enhancement programs to allow participants to access more advanced career paths (upskilling) and to learn new skills (reskilling) that enable people to fill positions and roles different from their previous ones, while also enhancing soft and transferable skills. These programs were implemented also in collaboration with university and academic partners;



## Enel people

**94%** of the population involved in training activities

**~3.1 million hours of training provided** (~48 hours *per capita* average), of which approximately **45%** is dedicated to upskilling and reskilling

**~480,000 hours delivered**, dedicated to the topics of **digital skills** (**15%** of total training hours)

- supporting the dissemination of digital culture and the utilization of digital media;
- promoting the presence of women in STEM (Science, Technology, Engineering, Mathematics) classes and jobs.

For more details see the chapter “**Enel people**”.



## Suppliers | Supporting change

Suppliers are essential partners in the journey to decarbonization. In this sense, actions in place aim, on the one hand, at supporting their increased resilience and, on the other, to minimize pressure on critical materials and components through continued technology innovation and recycling. This is why Enel works jointly with suppliers to develop new metrics and promote co-innovation projects to support decarbonization and circular economy approaches, all of which will have a positive impact on their production processes and purchasing methods.

There are several initiatives to support supplier business conversion and diversification such as, but not limited to:

- the Supplier Development Program, which places a specific focus on SMEs operating in strategic sectors that will benefit from direct support for facilitated access to services (e.g., liquidity sources, management and technical training programs, advice on sustainability and the circular economy);
- the “Sportello imprese” (business desk), which consists in meeting periodically with companies from the traditional power generation sector to support their growth and requalification in areas such as renewables or new services related to energy efficiency;
- “Energie per Crescere” (Energies for Growth), a program which aims to strengthen Enel’s supply chain creating highly requested professional profiles in the electricity sector. The program particularly involved E-Distribuzione contractors, creating jobs that are in high demand in the industry (e.g., cable pullers, cable splicers, substation assemblers, live-line workers);
- “Energie per la Scuola” (Energies for School), a program for final year students attending technical and vocational schools with the aim of training them for the

## Suppliers

**5,500<sup>(1)</sup> people** receiving training as new technicians for contractors as part of the “Energies for Growth” project

**4,000<sup>(2)</sup> people** already trained in network infrastructures (completion in 2025), of which approximately **2,600** new technicians hired as part of the “Energies for Growth” project

**550<sup>(2)</sup> people** trained for the new professions of the energy transition, hired and in the process of being hired as part of the “Energies for School” project

(1) By 2025.

(2) Cumulative figures, 2022-2023.

‘most wanted’ roles in the electricity sector so that, after graduation, they can be hired by Enel contractors. The aim is to create a bridge between education and the professional sphere, encouraging the students to acquire the skills needed to embrace the new professions of the energy transition, and facilitating their entry into the workplace with the Group’s suppliers immediately after graduation, also through greater knowledge of the industrial realities in the industry.



For more details see the chapter “**Sustainable supply chain**”.



## Communities | Creating value for local communities

Enel's commitment to supporting communities is expressed through initiatives that promote inclusion (with particular focus on people in conditions of physical, social and economic vulnerability) both in terms of access to local job opportunities and facilitating access to products and services. These initiatives are the result of strong and lasting community relationships in which there is broad, inclusive and continuous dialogue based on clearly defined phases of "stakeholder engagement" in line with international reference standards.

### Communities

about **3.9 million beneficiaries**, in line with the Sustainable Development Goals (SDGs), mainly relating to projects and initiatives associated with the 3 SDGs to which the Group has made a commitment (SDGs 4, 7, 8)

For more details see the chapter "**Engaging communities**".



## Customers | Empowering the transition

Energy and digital technologies are key factors empowering the transition of customers through new services and promoting greater understanding of and control over their consumption, along with the affordability of green technologies (whether electric mobility, photovoltaic or heat pumps), the lack of affordability is a significant barrier especially for low-income and vulnerable customers already struggling with primary energy costs who paradoxically could benefit most from their adoption.

Technologies such as smart meters increase customer awareness of their own consumption habits, which encourages more efficient and sustainable behaviors. Energy suppliers and service providers can help consumers make the best use of new technologies (heat pumps, electric transportation, efficient appliances) by designing user-friendly services (that also leverage digital) and offerings that reduce complexity and costs.

The enormous amount of data created by the growing role of connected devices offers a great opportunity to engage customers in the transition with customized solutions that combine security and data privacy.

### Customers

**~68 GW** of distributed renewable capacity connected to Enel grids from around **2 million** connections from producers and prosumers

**~9.6 GW** of contracted capacity for flexibility services

**24,300** publicly owned charging points<sup>(1)</sup>

(1) It should be noted that the figures shown, if they also included the charging points of companies operated in joint ventures, would be 25,337 as of December 31, 2023.

For further details see the chapter "**Customer centricity**" of this document.



# Enel's impact on climate change

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## ENEL'S IMPACT ON CLIMATE CHANGE IN 2023

	CO <sub>2</sub> -free generation <sup>(1)</sup>	Digitalization of the grid	Electrification of energy demand and promotion of energy efficiency
POSITIVE IMPACTS	86.0 MtCO <sub>2eq</sub> avoided	45.2 million end users with active smart meters <sup>(3)</sup>	24,300 charging points for electric mobility
	<ul style="list-style-type: none"> <li>• Avoided greenhouse gas emissions from electricity generation</li> <li>• Contribution to greenhouse gas emission reduction in other sectors<sup>(7)</sup> through a zero-emission energy mix</li> </ul>	<ul style="list-style-type: none"> <li>• By providing data in quasi real time, smart meters allow an efficient management of the energy supply and demand, promoting informed and sustainable consumption</li> </ul>	<ul style="list-style-type: none"> <li>• Contribution to greenhouse gas emission reduction in other sectors through the electrification of consumption, including transport by promoting electric mobility</li> </ul>
	970 MW	2.5 average number of service interruptions per client (SAIFI) <sup>(5)</sup>	9.6 GW of demand response capacity
	<ul style="list-style-type: none"> <li>• Increase in storage capacity<sup>(4)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• A reliable and resilient network contributes to reduce the greenhouse gas emissions associated with grid losses</li> </ul>	<ul style="list-style-type: none"> <li>• Solution that enables greater flexibility and more efficient use of infrastructure and energy resources for commercial and residential customers</li> </ul>

### VALUE CHAIN

#### GENERATION



#### GRIDS



#### RETAIL



	Thermal production	Technical losses from the grid	Sales of retail electricity and gas
NEGATIVE IMPACTS	32.7 MtCO <sub>2eq</sub>	2.7 MtCO <sub>2eq</sub>	24.0 MtCO <sub>2eq</sub>
	<ul style="list-style-type: none"> <li>• Direct greenhouse gas emissions for electricity generation (Scope 1)<sup>(6)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Indirect greenhouse gas emissions associated with technical losses from the grid (Scope 2)<sup>(7)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Indirect greenhouse gas emissions associated with the purchase of electricity from other producers for sale to the end customer in the retail market (Scope 3)</li> </ul>
	6.9 MtCO <sub>2eq</sub>		16.8 MtCO <sub>2eq</sub>
	<ul style="list-style-type: none"> <li>• Indirect greenhouse gas emissions deriving from the extraction and transport of fuels and subproducts<sup>(8)</sup> (Scope 3)</li> </ul>		<ul style="list-style-type: none"> <li>• Greenhouse gas emissions associated with the use of natural gas sold on the retail market (Scope 3)</li> </ul>

### Thermal production

### Technical losses from the grid

### Sales of retail electricity and gas

(1) Includes renewable and nuclear power generation.  
 (2) The GHG Protocol requires the consumption of electricity to be considered when calculating the Company's carbon footprint as indirect emissions (Scope 2).  
 (3) Of which second-generation smart meters 28.7 million in 2023 and 25.2 million in 2022.  
 (4) Includes contribution of Global Power Generation Business Line.  
 (5) SAIFI, System Average Interruption Frequency Index.  
 (6) Other Scope 1 emissions were indicated in the paragraph "Enel's performance in tackling climate change" in this chapter.  
 (7) Other Scope 2 emissions were indicated in the paragraph "Enel's performance in tackling climate change" in this chapter.  
 (8) Includes indirect emissions related to the extraction and transportation of natural gas sold to end customers in the retail market.

Electricity 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.

**Electricity generation** 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.

Recognizing the relevance to business of the social impacts of its climate strategy, Enel fully supports the principles of a just transition that leaves no one behind by developing specific initiatives aimed at accompanying Enel people, suppliers, communities and customers on the path to decarbonization.

Enel's **power generation from fossil fuels** (mainly gas and coal) traditionally represents the main source of greenhouse gas emissions. In particular, in 2023, direct emissions (Scope 1) related to generation from fossil sources amounted to about 32.7 MtCO<sub>2eq</sub>, while indirect emissions (Scope 3) related to fuel extraction and transportation amounted to 6.9 MtCO<sub>2eq</sub> (also considering those related to the extraction and transportation of natural gas sold to end customers). Enel is reducing this impact by accelerating the decommissioning of coal-fired plants, with a reduction of capacity in 2023 of approximately 2 GW compared to 2022. In parallel, the Group is increasing the development of renewable capacity that, together with the contribution of nuclear generation, has made it possible to avoid 86.0 MtCO<sub>2eq</sub> 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 1,730 MW in 2023 (BESS<sup>(3)</sup> and storage behind the meter). The decarbonization of the energy mix also has a positive impact on the reduction of indirect greenhouse gas emissions (Scope 2) associated with the purchase of electricity to cover the requirements of business activities.

**Management of the electricity network** leads to the generation of indirect greenhouse gas emissions (Scope 2) associated with technical grid losses, equal to 2.7 MtCO<sub>2eq</sub> in 2023 (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 the reliability of the grid, while promoting the diffusion of renewables in the energy system.

Regarding **end users**, the use of the products sold by Enel's customers generates GHG emissions that are accounted for as indirect (Scope 3). In particular, the emissions related to the use of electricity sold to customers were 24.0 MtCO<sub>2eq</sub>, whereas those related to gas sold equaled 16.8 MtCO<sub>2eq</sub>. 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 owned public charging infrastructure for electric vehicles (24.3 thousand charging points installed in 2023<sup>(4)</sup>), the development of energy efficiency solutions, distributed generation, energy consultancy services, smart street lighting and circular cities.

Emissions related to the **activities of the Group's suppliers** amounted to 8.8 MtCO<sub>2eq</sub> in 2023. To reduce this impact, Enel adopts a circular procurement approach and includes assessments of the carbon footprint of the products and services involved in its purchasing processes, encouraging their reduction.

(3) Battery Energy Storage System.

(4) For charging points including companies operated in joint ventures, the total amount is 25,337 as of December 31, 2023, and 22,617 as of December 31, 2022.

# Enel's advocacy system on climate policies and a just energy transition

**In Enel, advocacy on the issue of climate change aims to promote and define:**

- **ambitious climate and decarbonization targets** consistent with the objectives set by the Paris Agreement;
- **effective and efficient implementation mechanisms** capable of exploiting market dynamics, by fully supporting the role of carbon pricing where appropriate;
- **a clear governance framework** that ensures transparency and clarity at the planning stage but also predictability and responsibility at the implementation stage, in order to ensure effective legal and regulatory frameworks in promoting the necessary investments;
- **constructive dialogue within multi-stakeholder initiatives**, actively contributing to groups and coalitions such as the Just Transition Think Lab, the Caring for Climate initiative of the UN Global Compact, the Energy Advisory Group of the We Mean Business Coalition, the Policy Advocacy & Member Mobilization (PAMM) and Carbon Capture Storage & Removal projects of the World Business Council for Sustainable Development (WBCSD);
- **recognized private sector leadership in climate and energy** through its continued participation in initiatives such as the CEO Alliance, the CEO Climate Leaders Alliance and the First Movers Coalition (FMC) of the WEF, the Utilities for Net Zero Alliance, the Global Sustainable Energy Partnership, and regional and national trade associations;
- **the creation and sharing of knowledge** by supporting the activities of the Fondazione Centro Studi Enel (Enel Foundation), an Italian think tank founded by Enel SpA that seeks to contribute to solving the greatest challenges of our time in the areas of climate and energy transition.

**Enel is committed to carrying out its direct and indirect public advocacy actions in line with the Paris Agreement and with the target of limiting global warming to below 1.5 °C.** Evoking the original spirit of the Agreement, it does this by involving a wide range of stakeholder including public institutions, trade associations, non-governmental organizations and academia. The aim is to promote the

Group's vision on climate, zero greenhouse gas emission policies and a roadmap to a just energy transition. Through its direct advocacy, Enel interacts with policy makers, while indirectly it contributes to positioning and debate in trade associations. The goal is to build consensus and support for the path to decarbonization of the global economy, which is the goal of the Paris Agreement.

**The global coordination of the Enel Group's advocacy on climate policies is provided by the Energy and Climate Policies unit.** This unit is responsible for ensuring the consistency of global scenarios and positions of the Group on climate policies with the support of Countries and the Global Business Lines. Its objective is to guide Enel's national and local advocacy activities, thanks to a continuous dialogue with institutions and the widest possible range of stakeholders who are active in the climate debate.

**At the local level, in countries where Enel operates, its advocacy efforts are led by the institutional relations units with the support of the business units.** These efforts are pursued through specific activities and broader stakeholder engagement on the issues of decarbonization and a just energy transition, adopting an approach similar to the one adopted at the global level. Enel's advocacy in this area is implemented through *ad hoc* engagement on specific legislative proposals (e.g., the European Climate Law), but also through broader stakeholder engagement at the national level through Enel's Energy Transition Roadmap platform.

**Enel continuously assesses the alignment of its direct advocacy actions with the goals set by the Paris Agreement.** In fact, in accordance with the Group's "Climate change risks and opportunities" policy, the Group's climate advocacy activities are guided by energy transition roadmaps, through which Enel engages a wide range of stakeholders in relation to the actions needed at the national level to pursue the goals of the Paris Agreement. These energy transition roadmaps are developed for each country where the Group operates and updated in line with any changes in regulatory, technological and market dynamics.



## Direct advocacy. The Group's positioning on key climate policies

During 2023, numerous policies and regulatory provisions were enacted concerning climate and the related energy and environmental issues. In this context, the number of dossiers on which Enel focuses its advocacy efforts increases each year, and only the most relevant are listed below, along with the positions taken by the Group.

### Globally:

**Negotiations under the United Nations Framework Convention on Climate Change (UNFCCC)** continued leading to a final agreement on the COP 28 Decision in Dubai. Highlights of the agreement include: a call for the mobilization of additional efforts in the phase-out of fossil fuels, aimed at tripling global renewable energy capacity and doubling the average annual rate of energy efficiency improvement by 2030; concrete support for developing countries to strengthen their resilience to climate change; and a strengthening of climate finance through the Green Climate Fund and other dedicated funds. Enel has been active in promoting greater ambition, the implementation of the **Transparency Governance Framework**, the development of mechanisms to ensure a just transition and the full mobilization of the climate finance envisaged by the Paris Agreement including the rapid development of international cooperation as envisaged by Article 6 of the same Agreement. **Enel contributed to COP 28** in Dubai by **participating in initiatives** promoted in cooperation with **public and private players**. Enel joined the **Utilities for Net Zero Alliance (UNEZA)**, an initiative aimed at fostering international cooperation to accelerate the energy transition, which is coordinated by IRENA, supported by WEF and promoted by the UN High-Level Climate Champions. The Spanish subsidiary **Endesa** was **recognized as an "Energy Transition Changemaker"** for the project of just transition of the thermal power plant in Andorra, Teruel. The Group's unwavering commitment has been recognized by its **ranking at the top of the Influence Map classification regarding Corporate Engagement at COP 28** (<https://cop28.influencemap.org/CorporateInfluence-Database>).

### At European level:

**During 2023, the Group represented its interests and promoted its position vis-à-vis the European institutions (Commission, Parliament, Council)** with the aim of contributing to legislative proposals and decisions that could have affected the EU's Climate and Energy Policy Framework, and the Group's activities. In carrying out these activities, Enel is committed to acting in a transparent and responsible manner. As such, it is registered with the European Transparency Register<sup>(5)</sup>, whose specific activities are related to major EU legislative and/or policy proposals. In addition, Enel's positions and responses to EU consultations (such as the Critical Raw Materials Act) are made public, together with a list of the main professional associations and think-tanks in which Enel is active. During 2023, Enel carried out its advocacy work in relation to several European dossiers, including:

- **evolution of the ETS system and introduction of the Carbon Border Adjustment Mechanism (CBAM)**. Specific proposals at the European level have resulted in: a) consolidation of the current CO<sub>2</sub> trading system by increasing its ambition and revising the internal mechanisms for market stabilization and allocation of free allowances; b) creation of an additional allowance trading system for the transport and building sectors; and c) introduction of a Carbon Border Adjustment Mechanism (CBAM) to ensure that a carbon price is also applied to major imported goods with high CO<sub>2</sub> content. Enel proactively supported the proposals with a view to ensuring ambition consistent with the Paris Agreement, protecting European competitiveness and the most exposed segments in the context of a just transition, and strengthening CO<sub>2</sub> price predictability to support investment;
- **the hydrogen strategy, the hydrogen and gas market decarbonization package, the methane gas regulation**. The important role of fossil gas in transitioning to decarbonized gas has been addressed at both the strategic and regulatory levels with these measures. Enel participated in the debate by actively promoting green hydrogen (generated by electrolysis powered by 100% renewable energy) and by participating in the "Energy Pathway" project sponsored by WBCSD, with the aim of monitoring developments in the hydrogen market. With

(5) <https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=6256831207-27&locale=en#en>, number 6256831207-27. By registering, Enel signed the Transparency Register Code of Conduct and also declared that it is bound by its own Code of Ethics.

regard to the gas package, it promoted clear distinction in the sphere of the tariff and incentive systems. Lastly, when discussing the regulation, Enel promoted targets consistent with the European decarbonization pathway along with systematic monitoring;

- **directives on energy efficiency and the energy performance of buildings.** The two measures further increased targets for efficient energy use, envisaging among other things at least an 11.7% reduction in energy consumption, strengthening the active role of buildings in electric systems through targets for the installation of electric vehicle charging points and distributed renewable energy generation facilities. Enel actively participated in the debate by advocating for the role of clean electrification as a vector that can ensure benefits not only in terms of combating climate change, but also with regard to energy efficiency, competitiveness, economic circularity and improved air quality, especially in urban areas;
- **revised renewable energy directive.** The revision provided for increased targets for the development of renewable energy sources, which are considered strategic for Europe both in terms of decarbonization and energy independence. It also introduced a number of measures to further facilitate their dissemination throughout the territory. Enel strongly supported the goals of the directive, given the central role that renewable sources play in its Industrial Plan. Enel's advocacy is based on the belief that the EU regulatory framework should provide long-term predictability for investors, as well as simplified and harmonized authorization procedures.

At the national level, the main dossiers on which the Enel Group has taken advocacy actions include:

- **in Italy, the publication of the draft update of the National Energy and Climate Plan (NECP)** envisaged by the European regulation, which was welcomed by Enel particularly with regard to the simplification of authorization processes, the promotion of renewable sources with long-term market instruments, the recognition of the structural role of the capacity market, and the recourse to long-term market instruments for flexibility resources. In addition, the **consultation on support schemes for plants fueled by renewable sources** was

favorably received. On the critical issue of adaptation, the **National Climate Change Adaptation Plan** was approved, which Enel believes has strategic value for the resilience of the electricity sector and the Italian economy;

- **in Spain, the draft revision of the National Energy and Climate Plan was published** and the intensified ambition of the same was viewed positively by the Enel Group. Enel's advocacy activities also included proposing measures that would effectively achieve the proposed goals and highlighted the need to synchronize the share of electrification with the development of renewable energy. As regards **disclosure requirements on financial risks associated with climate change**, the Enel Group responded to the consultation by offering its support and requesting Scope 3 emissions to be considered among the indicators to be reported;
- **in the United States, the Inflation Reduction Act** continued to be rolled out with a series of implementation decrees. Enel North America supported this process by providing input on a number of legislative proposals including those related to tax credits. In addition, the Federal Energy Regulatory Commission (FERC) approved Order 2023, the most comprehensive set of reforms to the generator interconnection process in two decades. Enel North America backed the proposed reforms and gave public testimony in support of the initiatives. FERC referred to Enel's comments 247 times in the Final Rule. In multiple instances, FERC has cited and accepted Enel's specific recommendations;
- **Brazil** is in the process of passing a **bill to regulate the carbon market in the country**. Enel actively supports the initiative, which it sees as an important tool to ensure economic efficiency and effectiveness in achieving environmental goals. The **National Hydrogen Program (PNH2) has also been published, while the national low-emission hydrogen regulation is still under development**. In this context, the Enel Group supports the regulation of the hydrogen market, understood as a driver of the energy transition, and particularly the strengthening of green hydrogen. Enel also actively supports **Decree no. 11.648/2023 establishing "Energias de Amazonia"** in light of how it will help promote renewable sources and a just transition of Amazonian systems.

## Indirect advocacy. Enel's commitment through associations and organizations

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The Group plays an active role in various industry and multi-stakeholder associations and organizations with the aim of promoting issues concerning energy transition and climate action at the national and global level. **Enel is committed to ensuring that the various industry associations, business networks and think tanks of which it is a member operate in full compliance with the objectives of the Paris Agreement and the decarbonization roadmap established by the Group.** Enel therefore systematically verifies the **consistency of the associations' positions with the climate policies shared at the Group level.** This verification process is carried out in two stages:

- i. **before joining the association**, through an in-depth analysis of the association's by-laws, in line with the Climate Policy issued in September 2021;
- ii. **after joining the association**, actively contributing to its work and/or taking positions of responsibility within it or promoting the Enel Group's position within working groups.

### **A review of the level of alignment of the associations with Enel's strategy is conducted annually.**

Where an association is found not to be in line with the objectives of the Paris Agreement and Enel's climate risk mitigation strategy, the Company assesses whether the misalignment could compromise the effectiveness of Enel's advocacy and participation, and may decide to withdraw from the association.

**In 2023, the analysis for assessing alignment with the Paris Agreement was extended** to cover all associations involved in climate advocacy activities, of which Enel is a global member. In addition, as it did last year for 2022, **for 2023 Enel has published a list, an analysis of positioning and an assessment of the Paris Agreement alignment of the most relevant associations within which Enel is active, in terms of climate policy advocacy.** The alignment level was determined based on a specific methodology using targeted evaluations on the climate science, climate policies at global and national levels, disclosures on the topic, and the technologies promoted.

**In 2023, the methodology developed to evaluate the different associations was further improved** to ensure the accuracy and robustness of internal processes. For each country and/or region where it is present and/or of interest, the Enel Group identified the main associations engaged in climate policy advocacy activities and conducted, for each of them, a qualitative assessment in order to identify the association's level of alignment with the Paris Agreement.



For more information on Enel's direct and indirect advocacy activities and for the complete list of associations and their evaluation, please see the **"Climate Policy Advocacy Report 2023"**.



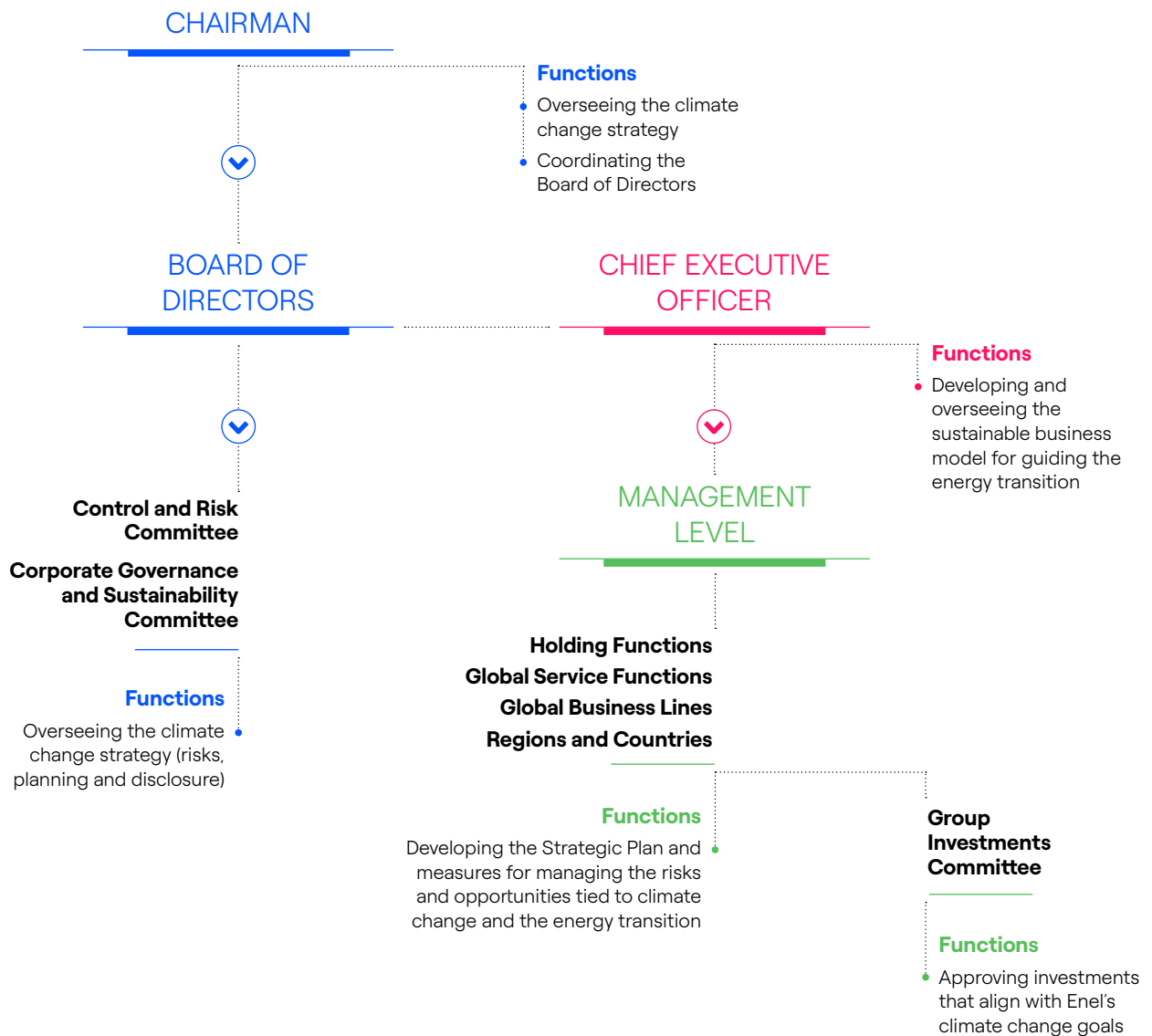
# Enel's governance model to tackle climate change

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## Competences of corporate bodies

The corporate governance system adopted by Enel is oriented toward the goal of sustainable success, given that it is aimed at creating value for shareholders over the long term, aware of the importance from an environmental so-

cial point of view of the Enel Group's operating activities and the consequent need to proceed with adequate consideration of the interests of all the relevant stakeholders.



## The Board of Directors of Enel SpA:

- Pursuant to the Articles of Association, the Board of Directors of Enel SpA is endowed with broad powers for the **ordinary and extraordinary administration** of the Company and has the authority to carry out any action deemed appropriate for the implementation and achievement of the corporate purpose.
- It plays a **central role in corporate governance** as the body vested with powers related to the strategic, organizational and control policies of the Company and the Group, the sustainable success of which it pursues. In this context, the Board examines and approves the Company's strategy, including the annual budget and the Industrial Plan (which incorporate the main objectives and actions planned, including with regard to sustainability issues, to drive the energy transition and tackle climate change), taking into consideration the analysis of issues relevant to the generation of long-term value and thus promoting a sustainable business model.
- It plays a **role of guidance and assessment of the adequacy of the Internal Control and Risk Management System** (so-called "ICRMS"). In particular, the Board defines the nature and level of risk compatible with the strategic objectives of the Company and the Group, including in its assessments any elements that may be relevant in the perspective of the Company's sustainable success. The ICRMS consists of the set of rules, procedures and organizational structures aimed at effective and efficient identification, measurement, management and monitoring of the main corporate risks, including risks related to climate change and, more generally, risks that the Group's activities may determine in the fields of environment, society, personnel and human rights.
- The Board **defines the remuneration policy** for Directors, Auditors and Key management personnel, based on the pursuit of the Company's sustainable success and taking into account the need to arrange, retain and motivate people with the skills and professionalism required by the role covered, submitting this policy to the Shareholders' Meeting for approval.
- During 2023, the Board addressed **climate-related issues**, reflected in the strategies and related implementation methods in **6 of the 15 meetings held**, in particular during: (i) the review and approval of the Industrial Plan of the Company and the Group; (ii) the definition of Enel's remuneration policy for 2023; (iii) the review of the contents of the Sustainability Report for the 2022 financial year, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree no. 254/2016 for the same year. In addition, it discussed climate- and environment- related issues as part of the

in-depth studies dedicated to operations related to the decarbonization strategy and sustainable finance, as well as in relation to investor dialogue activities. Finally, in the event of extreme weather events, the Board of Directors received extensive information on the immediate countermeasures taken, as well as on the need to adapt infrastructures to respond to the changed context.

- As part of the annual process of assessing the competences of the members of the Board of Directors, managed by an independent third party, at the beginning of 2024 Enel assessed the Directors' competences in managing climate risks and opportunities. As a result of this assessment, it was concluded that measures should be implemented to improve the climate competence of the Board.

Consequently, the following measures were taken:

- an **ad hoc induction program on climate-related issues** was launched for all members of the Board of Directors; and
- the Corporate Governance and Sustainability Committee, established within the Board of Directors, **appointed** one of its members (Johanna Arbib) as a **non-executive and independent Director in charge of monitoring climate and zero-emission transition issues** within the scope of the Committee's competences. This member of the Board of Directors has received timely and adequate training on how climate and the energy transition affect the Group's strategy, how the Enel Group impacts climate, and the risks and opportunities for climate mitigation and adaptation for the Group.

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

## The Corporate Governance and Sustainability Committee:

- **Assists the Board of Directors in assessment and decision-making activities concerning the Company's and Group's corporate governance** and sustainability, including climate change issues and the dynamics of the Company's interaction with all the stakeholders.
- With regard to sustainability issues, it **examines, inter alia**, (i) the guidelines of the **Sustainability Plan, including the climate objectives** defined therein, as well as the Priorities' Matrix, which identifies the priority issues

for stakeholders in light of the Group's industrial strategies; (ii) **the methods for implementing the sustainability policy**; (iii) **the general approach and structure of the contents of the Non-Financial Statement and the Sustainability Report** (possibly as a single document), as well as the completeness and transparency of the information contained therein, including on climate change, and their consistency with the principles laid down by the reporting standard used, issuing a prior opinion on this matter to the Board of Directors called upon to approve these documents.

- During 2023, Committee dealt with **climate-related issues**, reflected in the strategies and related implementation methods in **5 of the 7 meetings held**, in particular during the review of: (i) the Sustainability Report for the 2022 financial year, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree no. 254/2016 for the same year; (ii) the materiality analysis and the guidelines of the Sustainability Plan 2024-2026; (iii) updates on the main activities carried out in 2023 by the Enel Group in the field of sustainability, on the status of implementation of the Sustainability Plan 2023-2025 and regarding Enel's inclusion in the main sustainability indices.

### The Control and Risk Committee:

- The Committee has the task of **supporting the Board of Directors' assessments and decisions relating to the ICRMS**, also as concerns climate risks and those relating to the approval of periodic annual and interim financial and non-financial reports.
- **It assesses the suitability of annual and interim financial and non-financial information** to correctly represent the business model, the strategies of the Company and the Group it heads, the impact of the Company's activities and achievements, coordinating with the Corporate Governance and Sustainability Committee as regards periodic non-financial information.
- **It examines the topics relevant to the ICRMS dealt with in the Non-Financial Statement, pursuant to Legislative Decree No. 254/2016, and in the Sustainability Report** (possibly as a single document) and containing the Company's climate disclosure, issuing a prior opinion on the matter to the Board of Directors, which is called upon to approve these documents.
- During 2023, Committee dealt with **climate-related issues**, reflected in the strategies and related implementation methods in **3 of the 14 meetings held**, in particular during the review of: (i) assessment of the relevant issues for the purposes of the ICRMS dealt with in the Sustainability Report for the 2022 financial year, coinciding with the Consolidated Non-Financial Statement

pursuant to Legislative Decree no. 254/2016 for the same year; (ii) meetings with the heads of the Global Business Line Enel Green Power and Thermal Generation in relation to the activities carried out and the risks existing in the perimeter of competence, as well as the tools used to mitigate their effects; (iii) the analysis of the degree of compatibility of the main risks related to the strategic objectives of the Industrial Plan 2024-2026.

### The Nomination and Compensation Committee:

- **Supports the Board of Directors, *inter alia*, in its assessments and decisions relating to the size and optimal composition of the Board itself and its Committees, as well as the remuneration of Directors and Key management personnel.** In this regard, compensation policy for 2023 specifies that a sizeable portion of the variable compensation, both short and long term, of the Chief Executive Officer/General Manager and Key management personnel is connected, *inter alia*, to performance objectives concerning sustainability and climate.

### The Chairman of the Board of Directors:

- In exercising the function of stimulating and coordinating the activities of the Board of Directors, plays a **proactive role in the process of approving and monitoring corporate and sustainability strategies**, which are strongly oriented toward decarbonization and the electrification of consumption.
- During 2023, the Chairman also chaired the Corporate Governance and Sustainability Committee.

### The Chief Executive Officer:

- In exercising the powers he/she holds, the CEO **has defined a sustainable business model** by identifying a strategy targeted toward guiding the energy transition toward a low-carbon model; furthermore, within the scope of the powers assigned, the CEO manages the business activities connected to Enel's commitment to combating climate change.
- **He/she reports to the Board of Directors on the activities carried out when exercising proxies**, including the business activities aimed at maintaining Enel's commitment to tackling climate change.
- He/she represents Enel in various initiatives dealing with sustainability, holding relevant positions in insti-

tutions of international importance such as the Global Investors for Sustainable Development (GISD) Alliance launched by the United Nations in 2019.

- As the person primarily responsible for the management of the Company, **he/she is the person most empowered to deal with institutional investors**, providing them with any appropriate clarifications on matters falling within the management powers entrusted to him/her, in line with the Policy for the management of engagement with institutional investors and with the generality of Enel's shareholders and bondholders.
- **He/she holds the role of Director in charge of setting up and maintaining the ICRMS.**

## The Enel organizational model for management of climate-related issues

Enel has a management team that assigns the responsibilities related to climate issues 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 Company Staff Functions** are responsible for consolidating the scenario analysis and the management of the strategic and financial planning process aimed at promoting the decarbonization of the energy mix and the electrification of energy demand, as key actions in combating climate change.
- **The Global Business Lines** are responsible for the development of activities related to promoting renewable generation, the optimization of heat capacity, the digitalization of the electricity grid and the development of business solutions that enable energy transition and combating climate change.
- **The Global Service Functions** are responsible for adopting sustainable criteria, including climate change, in supply chain management and developing digital solutions that support the development of technologies enabling energy transition and combating climate change.

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

Additionally, **the Group Investments Committee**, chaired by the Chief Executive Officer, grants approval for the expenses for investments related to business development. This committee also has the task of guaranteeing that all investments are fully in line with the Group's commitment to promoting a low-carbon business model and reaching decarbonization by 2040.

## Climate change incentive and contribution scheme

The compensation policy for 2023 provides that a significant portion of the **long-term variable remuneration** of the Chief Executive Officer/General Manager and executives with strategic responsibilities will be tied to performance objectives in relation to climate change. In particular, in the Long-Term Incentive Plan 2023-2025 the weight of the environmental objective concerning the reduction of greenhouse gas emissions was increased to 15% of the total – from 10% in the previous plan – and at the same time made more detailed in order to cover a wider range of emissions. This target now reflects the Scope 1 and 3 GHG emissions intensity relating to Integrated Power, thus covering both direct emissions relating to power generation (*i.e.*, Scope 1 emissions) and indirect emissions relating to the generation of power purchased and sold by the Group to end customers (*i.e.*, Scope 3 emissions). A gate target linked to Group Scope 1 GHG emissions intensity relating to Power Generation was associated with this target. The changes thus introduced are intended to adequately support the achievement of the 2023-2025 Strategic Plan targets related to climate change mitigation.



For further details, see the paragraph **"Enel's governance model for sustainability"** in the chapter **"Sound governance"**.

# Climate change and long-term scenarios

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

To support its analysis of scenarios and of the external context, the Group identifies and analyzes short-, medium- and long-term trends to develop an overview of how structural forces and current macro-trends influence the speed of transition and the expected impacts in the energy sector and in particular in the businesses in which Enel operates. This trend mapping provides a basis for defining actions to orient the positioning of the business, seizing opportunities in the sector.

Benchmarking external energy scenarios is a key starting point for constructing robust internal scenarios and consists of analyzing external transition scenarios in order to compare their results in terms of energy mix, emission trends and technology choices, and to identify the main drivers of energy transition for each.

Enel's scenarios are based on an overall framework so as to ensure consistency between the energy transition scenario and the physical climate scenario:

- the "energy transition scenario" describes how the generation and consumption of energy evolves in various sectors in a specific economic, social, policy and regulatory context;
- issues concerning future trends in climate variables (in terms of frequency and intensity of acute and chronic phenomena) define the so-called "physical scenario".

In order to assess the effects of transition and physical phenomena on the energy system, the Group relies on internal models that describe the energy system for each country under analysis, taking into consideration specific technological, social-economic, policy and regulatory aspects.

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 trends and factors** relevant to the business (e.g., electrification of consumption, heat waves, etc.)

**2.** Development of **link** functions connecting climate/transition scenarios and operating variables

**3.** Identification of **risks** and **opportunities**

**4. Calculation of impacts** on business (e.g., change in performance, losses, Capex)

**5. Strategic actions:** definition and implementation (e.g., capital allocation, resilience plans)



## Enel's energy transition scenarios

The energy transition scenario details how the **generation and consumption of energy** evolve in a certain geopolitical, macroeconomic, regulatory and competitive context, depending on the available technology options; it correlates with a greenhouse gas emission trend and climate scenario and, consequently, a specific temperature increase by the end of the century compared to pre-industrial values.

The main assumptions considered in defining Enel's energy transition scenarios concern the macroeconomic and energy context, regulatory policies and measures, and the evolution, costs and adoption of energy generation, conversion and consumption technologies.

**The Group's reference scenario for planning** is a **Paris-aligned scenario**, which envisages achieving the temperature goals of the Paris Agreement, namely, a rise in the global average temperature below 2 °C compared to pre-industrial levels, and therefore anticipating a higher level of climate ambition than **business as usual**, but without necessarily assuming that the Net Zero emissions target will be reached by 2050, considering the current level of overall ambition at a global level and the slowdown in the speed of the energy transition that the current macroeconomic and energy environment is causing locally on some transition variables.

Assumptions on commodity price trends in inputs to the Reference scenario consider a sustained increase in the price of CO<sub>2</sub>, caused by the gradual reduction of allowances supply in the face of growing demand, and a sharp fall in coal prices, due to decreasing demand, are expected by 2030. With regard to gas, it is believed that price tensions will ease in the coming years in light of a realignment between supply and demand at a global level. Finally, oil prices are expected to stabilize gradually, for which it is estimated that demand will peak around 2030.

In order to assess risks and opportunities related to the energy transition, **alternative scenarios** were defined with respect to the reference scenario, depending on the degree of climate ambition assumed globally and locally:

- **"Slower Transition"**, a scenario in which a more medium-term approach is taken to the slowdown observable in the short term in some countries and regions. In this scenario, fuel demand will peak more gradually, and this will support energy commodity prices;
- **"Accelerated Transition"**, a scenario in which there is an increase in ambition compared to the Reference scenario, particularly with regard to certain variables. It envisages, on the one hand, an acceleration of decarbonization, driven by regulation, and at the same time a more rapid decrease in demand for fossil fuels, which inevitably will result in lower prices for these commodities in 2030.

With respect to the full achievement of the Paris Agreement to stabilize the global average temperature to within +1.5 °C, the doubt persists that some countries might continue to take a sluggish approach and fail to adopt effective measures to reduce their emissions in a timely manner, thereby delaying the process of decarbonization toward net zero emissions by 2050. Despite this, **Enel operates a business model in line with the highest ambition of Paris Agreement objectives, namely, one that is consistent with a global average temperature increase of 1.5 °C by 2100**, as certified by the Science Based Targets initiative (SBTi).



For more information on local transition scenarios (Italy, Spain, Brazil, Chile, Colombia), see the **"Group Strategy and Risk Management"** section of the 2023 Integrated Annual Report.

## The physical climate scenario for the purpose of climate adaptation action

Climate change is playing an increasingly prominent role in these scenarios, with impacts not only on the transition of the economy towards Net Zero emissions, but also physical impacts that can be divided into:

- **acute phenomena**, namely short-term but rather intense phenomena such as floods, hurricanes, etc., with potential impacts on assets (such as damage and business interruptions);
- **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, constant changes in the output of generation plants and in electricity consumption profiles in the residential and commercial sectors.

Such phenomena are analyzed by looking at how they will behave in the future: this is done by selecting the best available data from the output data of climate models at various levels of resolution, as well as historical data.

Among the climatic projections developed by the “Intergovernmental Panel on Climate Change” (IPCC) on a global scale, the Group has chosen three that are in line with those taken into account in the latest IPCC report as part of the sixth assessment cycle (AR6). Such scenarios are associated with emission patterns that are linked to a level of the so-called Representative Concentration Pathway (RCP), each one being related to one of five social and economic scenarios that the scientific community defines as Shared Socioeconomic Pathways (SSP). The SSP scenarios include general assumptions such as those on population, urbanization, and so on. The three physical scenarios considered by the Group are as follows:

- **SSP1-RCP 2.6**: compatible with a global warming range below 2 °C, compared with pre-industrial levels (1850-1900) by 2100 (the IPCC projects approximately +1.8 °C on average over the 1850-1900 period); the Group associates the SSP1-RCP 2.6 scenario with the **Reference** and **Accelerated Transition** scenarios in analyses that take into account both physical variables and transition variables;
- **SSP2-RCP 4.5**: compatible with an intermediate scenario, in which an average temperature increase of around 2.7 °C is expected by 2100 when compared

with the 1850-1900 period. The RCP 4.5 scenario best represents the current global climate and political context and the associated transition assumptions. This scenario projects global warming as being consistent with the estimated temperature increase that takes into account current global policies<sup>(6)</sup>; the Group associates the SSP2-RCP 4.5 scenario with the **Slower Transition** scenario in analyses that take into account both physical variables and transition variables;

- **SSP5-RCP 8.5**: compatible with a scenario where no particular measures are taken to combat climate change. According to this scenario, the global temperature is estimated to increase by around +4.4 °C, compared to pre-industrial levels, by 2100.

The Group sees the RCP 8.5 scenario as a worst-case climate scenario, which is used for assessing the effects of physical phenomena in a context in which climate change is particularly severe, but is not considered likely at present. The RCP 2.6 scenario is used for the assessment of physical phenomena and for analyses that consider an energy transition that is in line with the most ambitious mitigation targets.

Climate scenarios are global in nature. Accordingly, in order to determine the effects in the areas of relevance for the Group, they must be analyzed locally. The Group's active partnerships include an ongoing collaboration with the Department of Geosciences of the International Centre for Theoretical Physics (ICTP) in Trieste. As part of this collaboration, the ICTP provides projections for the main climate variables with a grid resolution that varies from approximately 12 km to approximately 100 km on the side and a time horizon of 2020-2050. The main variables are temperature, rainfall and snowfall, and solar radiation.

In this phase of the study, the future projections were analyzed for Italy, Spain and all countries of interest to the Group in South America, Central America and North America, obtaining, also due to the use of the ensemble of models, a more definite representation of the physical scenario. Similarly, the Group is also analyzing climate projection data for Africa, South Asia and South-East Asia, so as to cover all the main countries and regions where the Group operates globally.

(6) Climate Action Tracker thermometer, global warming estimates for 2100 considering the current “Policies & action” and “2030 targets only” (updated as of December 2023).

In addition to the climate scenarios provided by ICTP, the Group also uses **Natural Hazard maps**, which make it possible to obtain, with a high spatial resolution, the return times of a series of events such as storms, hurricanes and floods. The use of these maps is widely consolidat-

ed in the Group, which already uses this data based on a historical perspective to optimize insurance strategies. Furthermore, work is underway in order to be able to use this information also when processed in compliance with the projections of the climate scenarios.

### Analysis of physical scenarios. Integration of climate scenarios into the Open Country Risk model

Enel has adopted a quantitative **Open Country Risk** assessment model that can accurately monitor the level of **risk of countries within its scope**, which includes four elements of risk: economic, institutional and political, social and energy. This work has made it possible to **also integrate climate change aspects into the Open Country Risk model**.

More specifically, by introducing extreme weather events into the Open Country Risk model, the evolution of several climate hazards can be

assessed, both in the country and on a global scale, in a uniform manner. In particular, a modular approach was adopted that will enable analyses to be progressively improved by including new physical phenomena and fine-tuning methodologies and reference data. **At present, it includes four climate phenomena: two are related to extreme temperatures, one to heavy rainfall and another to drought.** In addition, the possibility of introducing other phenomena such as extreme wind and rising sea levels is being looked into. Phenomena are described with a numerical index, developed by taking into consideration global distribution, with a resolution of approximately 100 km x 100 km and summarized in a composite index.



For more information on the physical scenarios and variables considered, including acute phenomena (heat waves, extreme precipitation, cold spells, fires) and chronic phenomena (temperature, precipitation), see the "**Group Strategy and Risk Management**" section of the 2023 Integrated Annual Report.

## The strategy for tackling climate change

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Enel's climate action efforts are one of the key pillars of the Group's strategy in both the short and long term. Enel plays its part on the one hand through its contribution to driving the global energy transition towards a zero-emission model as a **mitigation** lever, and on the other by defining the best **adaptation** measures in order to adjust to changes that will, with a greater or lesser frequency and intensity, eventually take place.

Mitigation includes all initiatives intended to minimize the impact on the climate of the Group's activities and those of its stakeholders, in other words, all measures taken to reduce greenhouse gas emissions.

Adaptation, instead, includes all the initiatives implemented by Enel so as to make its assets more resilient, increase its capacity to react to extreme climatic events, and come up with strategic options and business models that will address various needs as the climate changes.

# Enel's strategy for climate mitigation

MAIN COMMITMENTS

## ENEL COLLABORATES WITH ALL STAKEHOLDERS TO ADDRESS CLIMATE CHANGE



### FINANCIAL COMMUNITY AND PARTNERS

- Enel Capex plan fully aligned with Net Zero targets to 2040
- Sustainability-Linked instruments to finance Enel's decarbonization strategy



### PLANET

- Exit from coal power generation
- Abandoning gas by 2040
- 100% renewable fleet by 2040



### CUSTOMERS

- Exit from gas retail by 2040
- 100% sales from renewable sources by 2040



### EMPLOYEES, SUPPLIERS AND COMMUNITIES

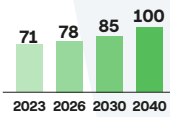
- Decarbonization of the supply chain by 2040
- Dialogue, engagement and collaboration in line with the principles of a just transition

MAIN BUSINESS DRIVERS

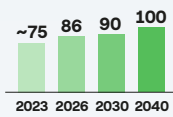
## SHIFTING ENEL'S BUSINESS MODEL TOWARD ZERO EMISSIONS



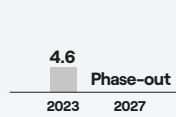
### ~% RENEWABLE CAPACITY OUT OF TOTAL<sup>(1)</sup>



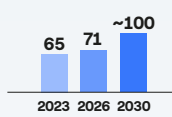
### ~% GHG-FREE POWER GENERATION OUT OF TOTAL<sup>(2)</sup>



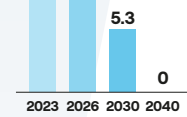
### COAL-FIRED CAPACITY INSTALLED (GW)



### % OF GRIDS CUSTOMERS DIGITALIZED

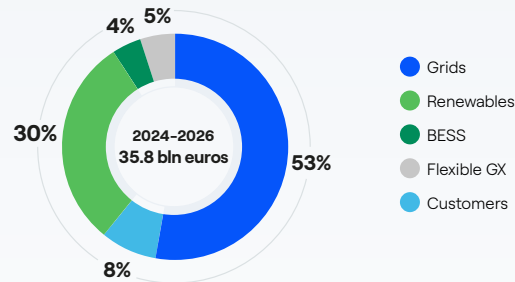


### GAS VOLUMES - RETAIL MARKET (BCM)



FINANCIAL FIGURES

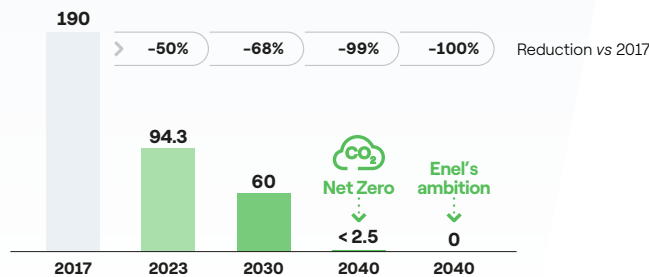
## ALLOCATING INVESTMENT TO ACCELERATE THE ENERGY TRANSITION



IMPACT ON CLIMATE

## DECARBONIZING THE ENTIRE VALUE CHAIN

Absolute GHG emissions (Scope 1, 2 and 3), MtCO<sub>2eq</sub>



(1) Includes managed capacity and BESS.  
(2) Includes managed power generation.

The Group leads the energy transition, through the decarbonization of electricity generation, the push for electrification of end-use consumption, and the development and digitalization of distribution networks. These factors represent opportunities both to increase value creation for all stakeholders and to contribute to a more rapid achievement of the Paris Agreement goals as well as the Sustainable Development Goals (SDGs) defined by the United Nations in the 2030 Agenda.

Specifically, the main mitigation actions the Group is taking are as follows.

- **Coal phase-out:** the Group confirms its goal to exit from coal power generation by 2027, subject to approval from the relevant authorities. As far as the conversion of coal-fired power plants is concerned, the Group will evaluate the best available technologies, based on the needs indicated by the distribution network operators.

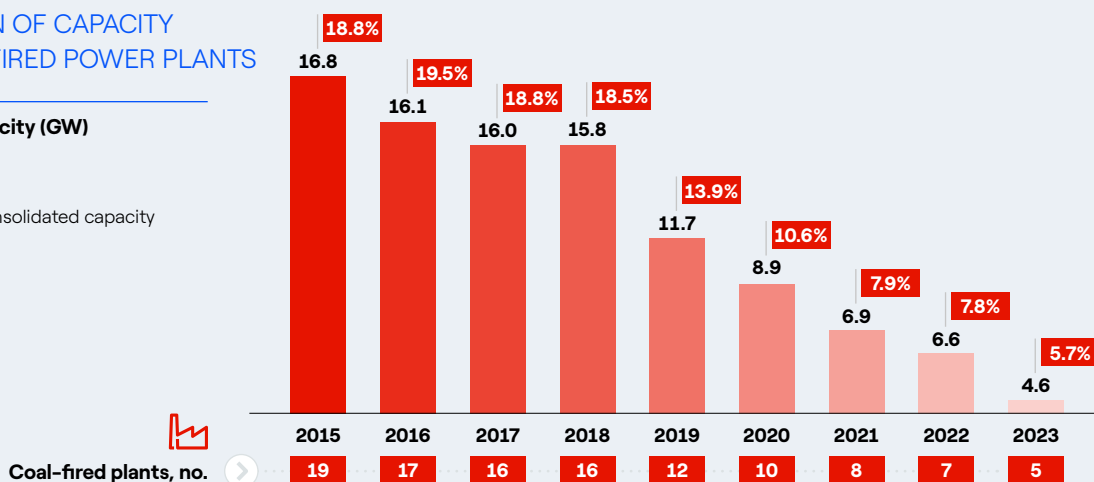
## ENEL'S COMMITMENT TO COAL PHASE-OUT

Over the last decade, Enel has progressively reduced its exposure to coal power generation, in line with the strategy undertaken in terms of decarbonization of generation.

### EVOLUTION OF CAPACITY OF COAL-FIRED POWER PLANTS

#### Installed capacity (GW)

— % of consolidated capacity



In 2023, the Fusina plant in Italy and As Pontes plant in Spain, with a capacity of 0.5 GW and 1.4 GW respectively, were taken out of service<sup>(1)</sup>.

To date, 5 plants therefore remain available for operation: 3 in Italy, 1 in Spain and 1 in Colombia.

#### TORREVALDALIGA NORD – 1.8 GW

- **Essential plant:** No
- **Planned phase-out:** Progressive to 2025
- **Risk factors:** The authorities may delay closure authorization

#### SULCIS – 0.5 GW

- **Essential plant:** Yes
- **Planned phase-out:** 2027
- **Risk factors:** Closure of plant subject to the construction of the Tyrrhenian link Sardinia-mainland Italy transmission link

#### FEDERICO II – 1.8 GW

- **Essential plant:** No
- **Planned phase-out:** Progressive within 2025
- **Risk factors:** The authorities may delay closure authorization

#### ALCUDIA – 0.2 GW

- **Essential plant:** No (production limitation)
- **Planned phase-out:** 2027
- **Risk factors:** Plant closure subject to the realization of the second Mallorca-mainland Spain transmission link

#### TERMOZIPIA – 0.2 GW

- **Essential plant:** Yes
- **Planned phase-out:** 2027

Enel's coal phase-out in Italy and Spain is in line with the two countries' objective of phasing out coal-fired power generation. The process of closing a coal-fired power plant is not solely the Group's responsibility, but is subject to an approval procedure.

For example, in Italy, in line with the legal provisions currently in force on the decommissioning of generation plants (*i.e.*, Article 1 *quinquies*, Legislative Decree 239/2003), the planned steps are:

- Enel's application to the Italian Ministry of the Environment and Energy Security ("MASE") for the purpose of authorizing the definitive decommissioning of the plant;
- MASE requests an opinion from Terna on the possibility of proceeding with the decommissioning of the aforementioned plant;
- Terna, following assessments of the adequacy of the electricity system, provides an opinion to MASE;
- following Terna's opinion, MASE communicates its acceptance or refusal of the final decommissioning.

Enel's coal exit target by 2027, subject to the authorization process set out above, may be subject to changes on the basis of the new targets contained in the PNIEC for Italy and Spain, which will be subject to approval by the European Commission in 2024.

In line with the commitment to a just transition, the exit plan entails:

- the redeployment of existing skills and the development of new ones, as well as the transfer of know-how for Enel people;
- the repurposing/regeneration of sites through requalification into innovative integrated energy hubs, *i.e.*, sites where electricity production coexist, in particular photovoltaics and storage systems (BESS) as well as projects developed by third parties in line with sustainability programs agreed with the territories in the area of influence, so as to promote the economic and social development and general well-being of the community.

(1) With particular reference to Italy, the decommissioning is definitive, *i.e.*:

- from the point of view of the electricity market and the national grid operator (Terna), the plant is no longer present among the electricity production plants and consequently no longer participates in the electricity market and cannot be commissioned directly by Terna;
- from a corporate point of view, there are no longer any MW associated with that installed capacity and there will therefore be no revenues associated with its operation;
- from a plant engineering point of view, there is no longer any coal in the power plant depots and the process of permanent safety of the mechanical and electrical machinery present has begun.

- **Decarbonization of the energy mix:** the Group is committed to achieving 100% renewable capacity by 2040, with an interim target of approximately 85% in 2030, up from 71% in 2023, including managed capacity and Battery Energy Storage Systems (BESS). The acceleration of renewables, together with the closure of coal-fired plants, will achieve greenhouse gas-free generation of around 90% by 2030 and 100% by 2040 (considering consolidated and managed generation), due also the Group's exit from thermal power generation by the same year.
- **The push for electrification and the retail gas phase-out:** the Group is committed to encouraging customers to shift from gas to electricity through the development of more efficient and convenient electric technologies for consumers, minimizing the gas portfolio of customers in the medium and long term. In particular, Enel plans to increase its customers<sup>(7)</sup> unit consumption of electricity from 2.65 MWh/customer/year in 2023 to around 3.5 MWh/customer/year in 2030, helping to reduce gas volumes sold to about 5.3 bcm in 2030 (compared to 8.3 bcm in 2023), aiming to complete the phase-out of gas sales to end customers by 2040. Ultimately, 100% of the electricity sold to the end customer will be generated from renewable sources.
- **Grids development and enhancement:** the grids, as the core foundation of the energy transition, will become more digital and flexible to connect millions of customers and prosumers and balance the intermittent supply of energy generated directly from renewable plants or accumulated in storage systems. Enel expects to reach about 6 million distributed generation connections by 2030 and also 100% digitalization of grid customers, compared to 65% in 2023.

The climate change mitigation strategy will help reduce direct and indirect greenhouse gas emissions along the entire value chain by around 68% by 2030 and at least 99% by 2040, compared to 2017, well above the overall threshold set by the main international standards (90%). This reduction will be implemented through **various targets**

**covering both direct and indirect emissions throughout the Group's value chain, in line with the Paris Agreement and the 1.5 °C scenario, as certified by the Science Based Targets initiative ("SBTi")** and detailed in the paragraph "Enel's roadmap to decarbonization" in this Sustainability Report.

In any case, the **Group's ambition is to aim for zero emissions, both direct and indirect**, although several exogenous factors shall be overcome in the medium and long term, including the development of new large-scale emission-free technology solutions in the supply chain, as well as changes in certain market conditions and policies to promote emission-free business models.

It is estimated that any residual emissions remaining in 2040, in any case unrelated to direct emissions from power generation and indirect emissions from the sale of electricity and gas where all emissions are expected to be zero, will amount to less than 2.5 MtCO<sub>2eq</sub> annually. In this case, to achieve the target of net zero emissions validated by the SBTi, from 2040 onward the Group will mitigate any impact by removing carbon equivalent volumes from the atmosphere, primarily by building a portfolio of carbon removal credits linked to high-quality, high-integrity nature-based and technology-based solutions with proven long-term durability, managing potential risks through portfolio diversification by technology and country.

In line with the **Group's commitment to a just transition**, action is being taken with regard to the requalification, retraining and self-learning of direct and indirect workers, the provision of support to supply chain companies to help business diversification and strengthen resilience, the creation of value for communities in terms of access to local job opportunities, and the facilitation of access to products and services for customers.

The Group is continuously attentive to people and its stakeholders, contributing to sustainable progress also through innovation and digitalization, which act as accelerators of growth.

(7) "Business to consumer" (B2C) clients in Italy and Iberia.

## 2024–2026 Strategic Plan

The new 2024–2026 Strategic Plan, unveiled on Capital Markets Day in November 2023, places environmental and financial sustainability as one of the three pillars of the new strategy, through which Enel contributes to climate action, the electrification of consumption and the energy transition, while pursuing value creation and strengthening the Group's creditworthiness.

For the 2024–2026 period, the Group has outlined an ambitious total gross investment plan of approximately 35.8 billion euros, strategically spread across different countries and regions with 49% destined for Italy, 25% to Spain, 19% to Latin America, and the remaining 7% to North America.

Regarding **renewables**, the Group has planned gross investments of approximately 12.1 billion euros between 2024 and 2026, and it specifically plans to invest in on-shore wind, solar, and battery storage (BESS). The Group's new approach to investment in renewables is based on three different business models:

- an **Ownership** business model, in which the Group holds a 100% stake, which will be applied mainly in Italy and Iberia;
- a **Partnership** business model, in which the Group holds a 50% stake (and less than 100%);
- a **Stewardship** business model, in which the Group holds a stake of 50% or less, which will continue to apply in the non-core countries of the Group.

Between 2024 and 2026, this new approach is expected to enable the Group to create about 13.4 GW of new renewable capacity in all countries and regions where it operates. In 2026, the Group expects its consolidated and managed renewable capacity to increase to approximately 73 GW from about 62 GW in 2023 (55.5 GW of consolidated capacity and 6.2 GW of managed capacity), with the share of consolidated and managed generation with zero emissions reaching around 86%, up from 75% in 2023.

In addition, regarding the **decarbonization process**, the plan is to gradually reduce investments in new carbon-intensive assets until they get to zero in 2025. Specifically, in 2024–2026, the Group plans to invest less than 3% of gross

investment in thermoelectric power generation, largely dedicated to maintaining existing plants, while investment in new plant development will be substantially limited to the conversion from coal to CCGT power at the Fusina power plant, which is scheduled for completion by 2024.

Regarding **grids**, the Group plans to invest around 18.6 billion euros over the 2024–2026 period. Grid investment is expected to focus on improvements in quality, resilience to the effects of climate change, and digitalization, as well as on new connections.

As for **customers**, the Group has planned gross investments of approximately 3 billion euros between 2024 and 2026 that, among other priorities, will also help promote the electrification of consumption, supporting customers in the decarbonization process.

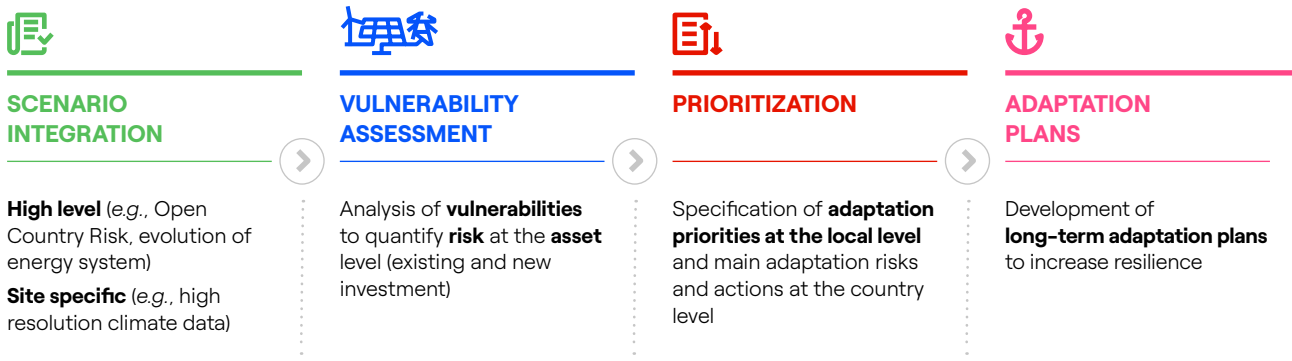
More than 90% of the gross capital expenditure in 2024–2026 is in line with the United Nations Sustainable Development Goals (SDG), directly pursuing SDG 7 ("Affordable and clean energy"), 9 ("Industry, innovation and infrastructure") and 11 ("Sustainable cities and communities"), which are all related to SDG 13 ("Climate action"). The investments envisaged in the Group's Strategic Plan are in line with the decarbonization and greenhouse gas reduction targets, based on a specific methodology whereby investments made in renewables and retail power inherently fall under SDG 7, investments in the distribution network fall under SDG 9, and investments in Enel X are related to SDG 11. Therefore, the over 90% referred to above does not include investments in conventional generation (including investments in maintenance) and in retail gas.

In addition, over 80% of the Group's investments in the 2024–2026 period will be aligned with the EU Taxonomy criteria, as they will make a substantial contribution to climate change mitigation.



For more information on the Group's strategy, see the "**Group Strategy and Risk Management**" section of the 2023 Integrated Annual Report.

# Enel's resilience and adaptation to climate change



The application of long-term climate scenarios makes it possible to prepare adaptation plans for the Group's portfolio of assets and activities. Climate scenarios are developed by identifying the physical phenomena that are most relevant to each business (such as heat waves, extreme rainfall, fire risk, etc.) in order to produce analyses that provide not only high-level indications (such as country risk indices that can be compared with each other), which make it possible to study physical impacts at an individual site. This approach applies to both the existing portfolio and to new investments.

By assessing the vulnerability of assets, priority actions to increase resilience can be identified.

The Group implements solutions to climate change adaptation by taking a comprehensive approach, which involves assessing the potential impacts in order to properly target the measures required to improve the ability to respond to adverse events (Response Management) and to increase business resilience (Resiliency Measures), consequently reducing the risk of adverse events having a

negative impact in the future. Moreover, the expertise and tools developed to analyze the effects of climate change can be used to create value, for example by devising new business options aimed at offering solutions that facilitate the adaptation of communities and all stakeholders.

Adaptation solutions can include actions, policies and best practices implemented in the short term, as well as long-term decisions.

For new investments, in line with the general approach, action can also be taken early in the design and construction phase to reduce the impact of climate risks, for example by taking into account in the design phase climate scenarios and analyses of the vulnerability of assets to specific phenomena in order to implement resilient solutions.

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

Business Line	A. Resiliency Measures: Enhancement of asset resilience	B. Response Management: Management of adverse events
 <b>ENEL GREEN POWER AND THERMAL GENERATION</b>	<p><b>Existing assets</b></p> <ol style="list-style-type: none"> <li>Guidelines for risk assessment and hydraulic technology design</li> <li>"Lessons learned feedback" processes from O&amp;M towards E&amp;C and BD</li> </ol> <p><b>New constructions</b></p> <p>In addition to what has been done for existing assets:</p> <ol style="list-style-type: none"> <li>Climate Change Risk Assessment (CCRA) included in environmental impact documents (pilot)</li> </ol>	<p><b>Existing assets</b></p> <ol style="list-style-type: none"> <li>Incident and critical event management</li> <li>Site-specific emergency management plans and procedures</li> <li>Specific tools for predicting imminent extreme events</li> </ol>
 <b>ENEL GRIDS</b>	<p><b>Existing assets and new constructions</b></p> <ol style="list-style-type: none"> <li>Guidelines for defining network resilience enhancement plans (e.g., the e-distribuzione "Network Resilience Enhancement Plan")</li> <li>Strategies and guidelines on risk prevention actions on the distribution network</li> <li>The Resilience Plan in Italy and Network Strength in Colombia</li> </ol>	<p><b>Existing assets</b></p> <ol style="list-style-type: none"> <li>Strategies and guidelines on readiness, response, and recovery actions on the distribution network</li> <li>General guidelines for emergency and critical event management</li> <li>Risk prevention and preparation measures in the event of fire on electrical installations (lines, transformers, etc.)</li> </ol>
 <b>ENEL X GLOBAL RETAIL</b>	<p><b>Existing assets</b></p> <ol style="list-style-type: none"> <li>Preliminary analysis of the impact of medium to long-term climate change</li> </ol>	<p><b>Existing assets</b></p> <ol style="list-style-type: none"> <li>Enel X Critical Event Management</li> </ol>



Enel also completed a project dedicated to compiling a catalog of practical interventions aimed at strengthening the resilience of assets and their capacity to respond to the possible effects of climate change. It includes targeted actions for each of the climate events relevant to the countries and regions of interest to the Group, differentiated based on the different technologies of the assets held in these areas.

This catalog, which is maintained and updated cyclically based on emerging needs and refined analyses, includes more than 100 possible actions, including:

- weather alerting (which includes the use of various tools to monitor and manage assets and natural resources);
- automation (for example, on medium voltage networks to reduce the impact of faults on customers in terms of SAIDI and SAIFI);

- structural reinforcement of the entire asset park, focusing in particular on critical components;
- continuous training of personnel;
- maintenance and care of the vegetation and environment immediately surrounding the asset.

The catalog allows the choice, based on a cost-benefit analysis, of the most cost-effective action to take based on the anticipated risk scenarios in each specific situation.



For more information on the adaptation and resilience actions carried out in each Business Line, see the "**Group Strategy and Risk Management**" section of the 2023 Integrated Annual Report.

## Risks and opportunities connected with climate change

3-3 | 201-2 | TCFD: Strategy and Risk Management

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

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

- **prioritizing phenomena and scenario analysis.** These activities include the identification of physical and transition phenomena relevant to the Group and the consequent development of scenarios to be considered and developed through analysis and processing of data from internal and external sources. Functions can be developed for the phenomena identified that link the scenarios (e.g., data on the change in renewables) to business operations (e.g., the change in potential output);
- **impact assessment.** Includes all analyses and activities necessary to quantify the effects at the operational,

economic and financial levels, depending on the processes into which these are integrated (e.g., design of new builds or operational performance appraisal, etc.);

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

In order to identify the main types of risk and opportunity and their impact on the business in a structured manner consistent with TCFD recommendations and the latest climate change reporting standards, Enel has adopted a **framework** that clearly shows the main relationships between scenario variables and types of risk and opportunity, specifying the strategic and operational approaches to managing the same, also taking into account mitigation and adaptation measures. Two main macro-categories of risks/opportunities are identified:

- those connected with developments in physical variables;
- those connected to the evolution of the transition scenarios.

The framework described is constructed with a view to overall consistency, making it possible to analyze and evaluate the impact of the physical (e.g., climate change) and transition (e.g., the energy context) phenomena according to solid, alternative scenarios created using a quantitative and model-based approach in consultation with both internal stakeholders and authoritative external resources.

## Framework on key risks and opportunities

Scenario phenomena	Time horizon	Risk and opportunity driver	Description	Management approach
Transition	From short term (1-3 years)	Policy & Regulation	<b>Risk/opportunity:</b> policies on CO <sub>2</sub> prices and emissions, energy transition <b>policies and financial instruments, revision of market design</b> and permitting procedures, and resilience regulation.	The Group is minimizing its exposure to risks through progressive <b>decarbonization</b> and the focus of the business on renewables, grids and customers. The business model is designed to maximize the benefits of the Group's integrated position in the core countries and leveraging partnership and stewardship activities, which enables to 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 that explore ambitious national decarbonization scenarios in the various countries in which Enel operates.
Transition	From medium term (2027-2034)	Market	<b>Risk/opportunity:</b> changes in the <b>prices of commodities, raw materials and energy</b> , evolution of <b>energy mix</b> , changes in <b>retail consumption</b> , changes in <b>competitive environment</b> .	The Group is maximizing opportunities by adopting a strategy founded on the energy transition, focusing on the <b>electrification of energy consumption and the development of renewables and a geographical positioning in countries in which it has an integrated presence</b> . Considering alternative transition scenarios, the Group assesses the impact of different commodity price trends, changes in the share of renewables in the generation mix and the electrification of final consumption.
Transition	From medium term (2027-2034)	Product & Services	<b>Risk/opportunity:</b> increase/decrease in margins and greater scope for <b>investment</b> as a consequence of the transition in terms of greater penetration of <b>electrical mobility, distributed generation</b> and new technologies for the <b>direct and indirect electrification</b> of final consumption.	The Group is maximizing opportunities thanks to its strong positioning in <b>new businesses and "beyond commodity" services</b> . In addition, considering alternative transition scenarios, the Group assesses the impact of different trends in the electrification of consumption.
	From medium term (2027-2034)	Technology		The Group is maximizing opportunities thanks to its strong strategic positioning in <b>new businesses and grids</b> at the global level. With the penetration of direct and indirect electrification technologies, considering alternative scenarios, the Group assesses the potential opportunities for scaling existing and potential businesses and for the development of new solutions linked to digitalization and resilience of power grids.
Acute physical	From short term (1-3 years)	Extreme events	<b>Risk: especially extreme weather/ climate events</b> , which can damage assets and interrupt operations .	The Group adopts <b>best practices to manage the restoration of service as quickly as possible</b> . The Group also works to <b>implement investments in resilience</b> (e.g., the Italian case). With regard to risk assessment in insurance, the Group has a loss prevention program for property risk that also assesses the main exposures to natural events, supported by preventive maintenance activities and internal risk management policies. Looking forward, the assessments will also include the potential impacts of long-term trends in the most significant climate variables.
Chronic physical	Medium (2027-2034) and long term (2035-2050)	Market	<b>Risk/opportunity: increase or decrease in electricity demand</b> under influence of temperature, whose variations can impact the business. <b>Increase or decrease in renewables output</b> , which may be affected by structural changes in resource availability.	The Group's <b>geographical and technological diversification</b> 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 <b>practices</b> such as, for example, weather forecasting, real-time monitoring of generation plants and long-term climate scenarios to identify any chronic changes in renewable source availability.

The framework outlined above 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 to medium term (1-3 years), in which sensitivity analyses based on the 2024-2026 Strategic Plan pre-

sented to the markets in 2023 can be performed; medium term (2027-2034), in which it is possible to assess the effects of the energy transition; and long term (2035-2050), in which chronic structural changes in the climate should begin to emerge.

## Assessment of risks related to the energy transition

To quantify the risks and opportunities arising from the energy transition in the long term, two transition scenarios, described in the paragraph on "Enel's energy transition scenarios" have been considered.

**In the Enel (Reference) scenario**, the progressive electrification of final energy consumption – particularly of transportation and the residential sector – leads to a considerable increase in electricity consumption and thus growth in the demand for electricity. This dynamic reduces the risk arising from the gradual increase of renewables in the energy mix, which could lead to a reduction in the wholesale electricity price; moreover, market design revisions that favor long-term remuneration would have a positive impact in terms of the greater visibility of returns in the medium and long term.

The effects of the Slower Transition and Accelerated Transition scenarios on the variables most likely to impact the business have therefore been identified, in particular **electricity demand**, influenced by the dynamics of electrification of consumption, and thus penetration of electric technologies and the electricity generation mix.

With regard to the **electrification of consumption**, the **Slower Transition scenario** predicts lower penetration rates of the most efficient electric technologies, particularly electric cars and heat pumps, causing a decrease in electric demand compared to the Reference scenario, which is estimated to result in moderate impacts on the Retail commodity business & beyond. At the same time, lower electricity demand results in less space to develop renewable capacity, which has an impact on the gener-

ation business; this is partially offset by higher electricity prices compared to a scenario with more renewables.

**As regards the Accelerated Transition scenario**, a more rapid reduction in the cost of **green hydrogen generation** technologies is assumed. This results in increased penetration of this energy carrier, at the expense of blue and gray hydrogen, with a consequent additive effect on domestic electricity demand and renewable capacity installations compared to the Reference scenario.

**All scenarios**, albeit to a greater extent the Reference and Accelerated Transition scenarios, envisage an **increasingly important role for grids**: indeed, a significant increase is expected 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 the electrification 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 Enel Grids Business Line.

● Upside (Accelerated Transition vs Reference)

● Downside (Slower Transition vs Reference)

Scenario phenomena	Risk/opportunity category	Description	Time horizon	Description of impact	GBL involved	Scope	Quantification - Impact type	Quantification - range			
								Upside/Downside	<€100 mil	€100-300 mil	>€300 mil
Transition	Market	<b>Risk/opportunity:</b> more/less scope for investment in new renewables capacity and power price changes corresponding to different degrees of renewables penetration	Medium term <sup>(1)</sup>	Two alternative transition scenarios to the <i>Reference</i> scenario are considered, with respect to which the Group has evaluated the impact of different degrees of renewables penetration on the reference power price and additional capacity	Global Generation Global Enel X Retail 	Enel Group	EBITDA/year	Upside		●	
								Downside		●	Adoption of measures to increase Customer Base in order to compensate for the negative impact on margins
Transition	Market	<b>Risk/opportunity:</b> smaller/larger margins depending on degree of electrification of consumption	Medium term <sup>(1)</sup>	Considering two alternative transition scenarios to the <i>Reference</i> scenario, the Group has evaluated the effects of a change in average unit consumption and electricity demand as a result of greater/lesser electrification of energy consumption	Global Enel X Retail Global Grids 	Enel Group	EBITDA/year	Upside	●		
								Downside		●	Adoption of measures to increase Customer Base in order to compensate for the negative impact on margins
Transition	Product and Services	<b>Risk/opportunity:</b> larger/smaller margins and more/less scope for investment depending on the effects of the transition in terms of penetration of new technologies and electric transport	Medium term <sup>(1)</sup>	Considering two alternative transition scenarios to the <i>Reference</i> scenario, the Group has evaluated the effects of different trends in the electrification of transport and the electrification of domestic consumption	Global Enel X Retail 	Enel Group	EBITDA/year	Upside	●		
								Downside		●	

(1) 2030 benchmark.

# Assessment of risks arising from physical phenomena

## Chronic phenomena

The initial scenario analysis has shown that **chronic structural changes will take place in the recent trends of physical variables, which will be appreciable in the long term.** However, in order to obtain an indicative estimate of the potential impacts and to anticipate the possibility of the early onset of chronic effects, **it is possible to test sen-**

**sitivity of the Industrial Plan to the factors potentially affected by the physical scenario,** taking into account historical weather variability and expected long-term climate changes. The existing Industrial Plan was drafted based on the information contained in the average scenarios for chronic phenomena, which allowed for consideration of the possible effects of trends in climatic variables. The table below shows the results of this analysis.

Scenario phenomena	Risk/opportunity category	Description	Time horizon	Description of impact	GBL involved	Scope	Quantification - Impact type	Upside/Downside	Quantification - range		
									<€100 mil	€100-300 mil	>€300 mil
Chronic physical	Market	<b>Risk/opportunity: increased or decreased electricity demand</b>	Medium/long term	Electricity demand is also influenced by temperature, fluctuations in which can impact the business. Although structural changes should not emerge in the short term, sensitivity analyses of variations in electricity demand are used, in line with the climate scenarios analyzed	Global Generation Global Grids 	Enel Group	EBITDA/year	Upside		●	
								Downside		●	
Chronic physical	Market	<b>Risk/opportunity: increase or decrease in renewable generation</b>	Medium/long term	Renewable generation is influenced by the availability of resources, fluctuations in which can impact the business. Although structural changes should not emerge in the short term, the sensitivity of the Group's results was assessed using sensitivity analyses considering historical meteorological volatility and variations in generation potential in the different climate scenarios	Global Generation 	Enel Group	EBITDA/year	Upside		●	
								Downside		●	

## Acute phenomena

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 above reasons, the Group currently finds itself **having to manage risks arising from extreme events in the short term.**

The analysis of **probability, vulnerability and exposure** to acute events provides the basis for assessing the risks arising from extreme events. From this point of view, the Group differentiates the risk analysis with respect to the climate change scenarios, depending on the specific nature of the various associated time periods. The following table summarizes the scheme adopted for the evaluation of impacts deriving from acute physical phenomena.

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

Over the short term (1–3 years), the Group will implement actions targeted at reducing the impacts of extreme catastrophic events on the business. It is possible to distinguish two main types of actions: **putting in place effective insurance cover** and the various **climate change adaptation** activities related to preventing damage that could result from extreme events.

With regard to the **impact of acute physical events**, the Enel Group has a well-diversified portfolio in terms of technologies, geographic distribution, and asset size, and consequently, the portfolio's exposure to natural risks is

also diversified. The Group implements various risk mitigation measures which, as will be described below, include both insurance coverage and other managerial and operational actions aimed at further reducing the Company's risk profile.

Indeed, **empirical evidence shows negligible repercussions of such risks**, as demonstrated by data for the last 5 years. Considering the most relevant events, defined as those with a gross impact >10 million euros, the cumulative value of the gross impact amounts to ~130 million euros, which represents less than 0.06% of the Group's insured values as at 2023, or ~220 billion euros.

### Institutional collaboration with regard to climate risk analysis: Fondazione Centro Studi Enel (Enel Foundation) and SACE

**Enel Foundation**, in collaboration with SACE, an Italian insurance-financial group, developed an evolutionary **Country Risk model** which enables more timely assessments and more effective investments for sustainable development for all, in addition to highlighting and preventing possible losses arising from non-payment and political risks related to the internationalization of companies.

The model integrates traditional methodologies for ranking country risk, highlighting the importance of ensuring an **equitable distribution of wealth**, combating **climate change** and accelerating the **energy transition** as prerequisites for ensuring prosperity in the new normal.

In particular, summary indicators defining the well-being, climate risk and energy transition scenarios for each country have been included in the "SACE Risk Map".

Further details can be found at the following link: <https://www.sace.it/en/appendix-enel-foundation>.



For more information on risk assessments arising from physical phenomena and transition, see the "**Group Strategy and Risk Management**" section of the 2023 Integrated Annual Report.

# Enel's performance in tackling climate change

| 3-3 | 305-1 | 305-2 | 305-3 | 305-4 | 305-5 | 305-6 | TCFD: Metrics & Targets |

## Methodology for calculating greenhouse gas emissions

The current **internal policy**, “**Definition and method of calculating GHG emissions**”, defines the common framework for the collection and analysis of GHG emissions data and performance, taking into account the internal and external targets and potential benefits to the Group and to Enel stakeholders. The procedure entails compiling and harmonizing definitions and methods, adopted internally and based on international standards, for quantifying the impact of Enel Group's GHG emissions, outlining the business processes aimed at measuring the various related aspects.

Primary operational and GHG data are collected through the Group's environmental database on an annual basis, with the exception of certain specific data which are collected more frequently. According to technological and geographical criteria, data is collected directly from the different organizational levels (site or country level, depending on the source) and is subject to formal internal checks and evaluation for consistency before being validated by the Business Lines and at the consolidated level.

In 2023, Enel launched an **action plan** to strengthen the GHG emissions accountability and reporting process that, among other priorities, aims to: review and update the methodology for calculating specific existing GHG sources; improve existing processes and increase efficiency and alignment that disclosure standards; update existing digital systems to collect GHG data. Accordingly, the Group has already implemented the following methodological changes that affect the data for the 2021-2023 period, while further actions will be developed during 2024:

- for the calculation of **Scope 2** and **Scope 3 – category 3D** emissions (generation of purchased electricity that is sold to end users), the country emission factors of

the power system (for both location-based and market-based models) have been updated. Enel now relies on data from national authorities for its core countries (Italy, Spain, Chile, Colombia, Peru, Brazil and the United States), while continuing to use data from third-party providers for all other countries;

- for the calculation of **Scope 2** emissions relating to electricity consumption in power distribution business, it has been decided to consider these emissions as part of the calculation of scope 2 emissions from technical grid losses;
- for the calculation of **Scope 3 – category 1** emissions (purchase of goods and services), primary data and method calculation on specific works have been updated;
- for the calculation of **Scope 3 – category 11** emissions (use of sold products), Enel updated the methodology to align the calorific value considered for the natural gas volume sold to end customers with the corresponding IPCC factor.

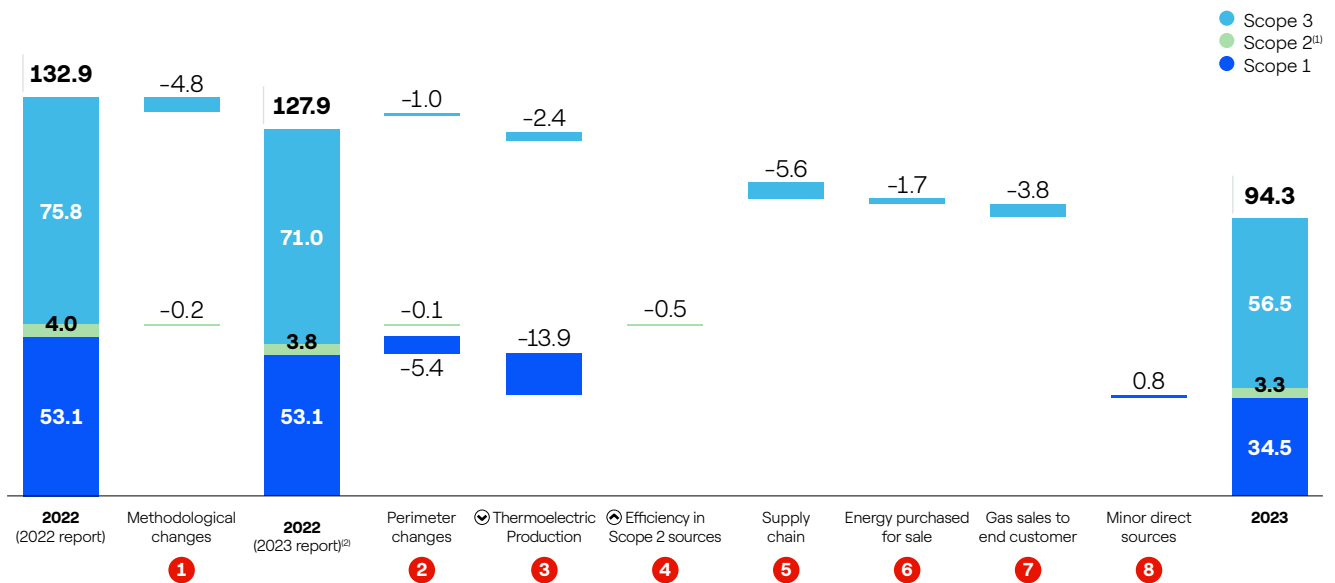
GHG inventory statement has been verified by DNV GL, one of the world's leading certification bodies, with a reasonable level of assurance for Scope 1 and Scope 2 emissions and a limited level of assurance for Scope 3 emissions included in the field of application of the inventory. The audit was conducted according to Standard ISO 14064-3 for the compliance of greenhouse gas (GHG) inventories with the WBCSD/WRI Corporate Accounting and Reporting Standard (GHG Protocol).



For more details concerning Enel's carbon footprint, please refer to the **2023 GHG inventory**.

# Greenhouse gas emissions trends in 2023

## GREENHOUSE GAS EMISSIONS TRENDS IN 2023 (MtCO<sub>2eq</sub>)



### 2023 progress (vs 2022)

- 1 Methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".
- 2 Disposal of thermoelectric and renewable assets in Russia and power distribution companies in Latin America in 2022.
- 3 Reduction of thermoelectric production (coal and CCGT) in Italy, Iberia and Latin America (also influenced by the disposal of thermoelectric assets in Argentina in 2023).
- 4 Reduction of electricity consumption in proprietary assets and reduction of technical losses in power grids operated by Enel in some countries.
- 5 Reduction of ordered expenses, higher weight of purchase of materials with a lower carbon footprint and reduction of the ratio between emissions and ordered expenses.
- 6 Reduction of the gap between electricity sales to end customers and own production in countries in which the Group has an integrated position and improvement of the national emission factors in some of these countries.
- 7 Reduction of the gas volume sold to end customers.
- 8 Increase of some direct emissions sources, mainly those related to auxiliary services (electro generators) in power grids.

(1) Scope 2 figures refer to the location based model.

(2) 2022 baseline restated for the elaboration of the 2023 Sustainability Report.

**In 2023, total absolute direct and indirect (Scope 1, 2, and 3) emissions totaled 94,321,654 tCO<sub>2eq</sub>, reaching the lowest rate ever** and breaching the increasing trend experienced in 2021 and 2022 following the global energy crisis. Specifically, total emissions have been reduced by 26.3% compared to 2022<sup>(8)</sup>.

This was mainly due to an overall improvement in the main operational performance metrics (also influenced by the various M&A transactions in 2022 and 2023), which contributed to reduce direct and indirect emissions along the entire value chain, by:

- reducing capacity and thermal power generation (also influenced by the disposal of thermal power assets in Russia and Chile in 2022 and in Argentina in 2023) and increasing capacity and renewable power generation;
- reducing the gap between electricity sales in the retail market and own production in certain countries;
- reducing natural gas sales in the retail market, influenced also by the sale of assets in Romania (although with a limited impact due to its completion in October 2023);
- reducing ordered expenditure in 2023 and improving the ratio of GHG emissions to supply chain expenses.

(8) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".



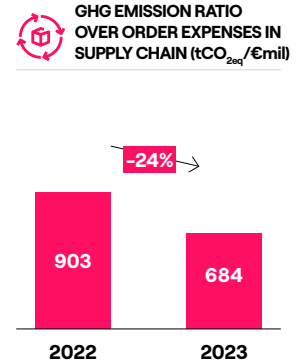
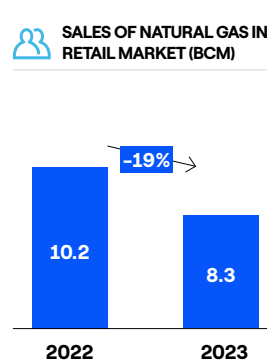
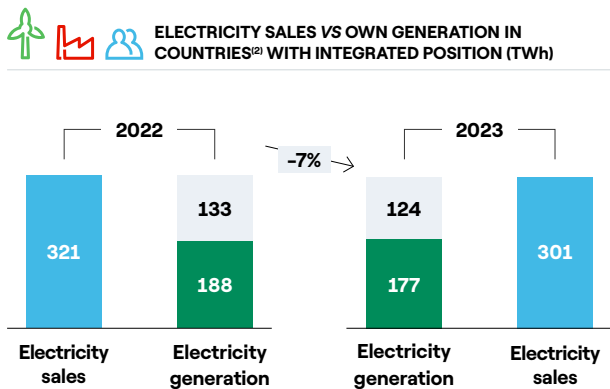
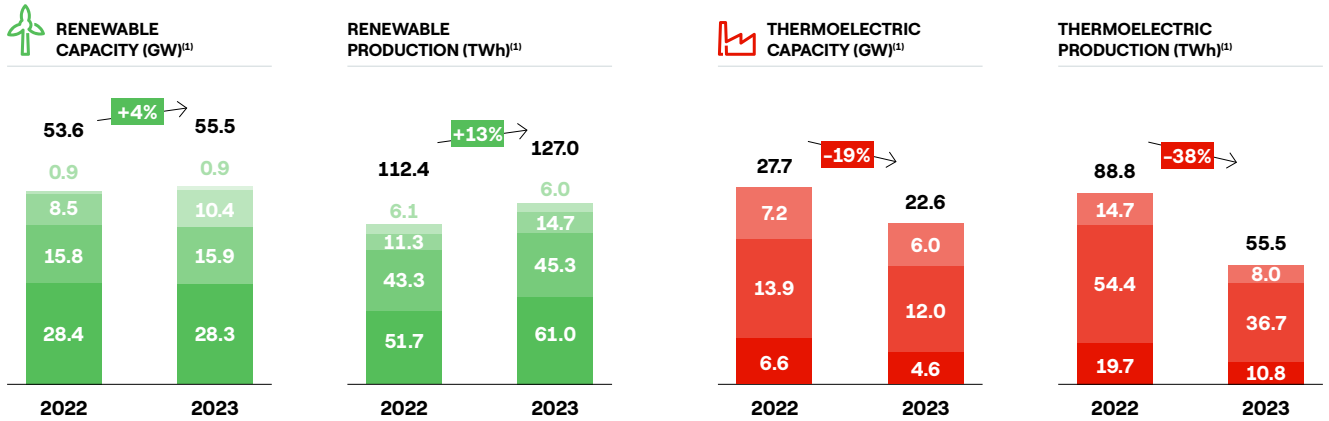
Moreover, the digitalization and automation of electricity grids have contributed to reduce grid losses and enable the development of renewable sources, playing a key role

in the Group's decarbonization performance, as well as in the decarbonization of the energy systems in which it operates.

## OPERATIONAL METRICS WITH THE HIGHEST INFLUENCE ON ABSOLUTE GHG EMISSIONS (SCOPE 1, 2, 3)

● Geothermal & biomass  
● Solar  
● Wind  
● Hydro

● Oil&Gas  
● CCGT  
● Coal



● Gap between electricity sales and own generation, relevant for Scope 3 (category 3D) calculation

- (1) Consolidated capacity and production. They also include operational data from assets in operation in 2022 and 2023 until their disposal date. In addition, Enel produced 24.9 TWh from nuclear in 2023 (with respect to 26.6 TWh in 2022).
- (2) Italy, Spain, Brazil, Chile, Colombia, Argentina, Peru and Romania (until its disposal).

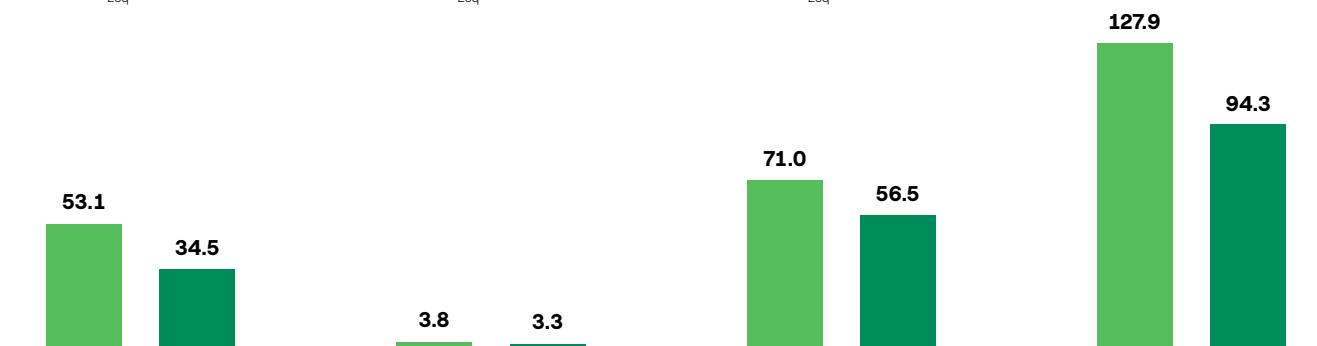


Absolute direct GHG Scope 1 emissions (MtCO<sub>2eq</sub>)

Absolute indirect GHG Scope 2 location-based emissions (MtCO<sub>2eq</sub>)<sup>(2)</sup>

Absolute indirect Scope 3 GHG emissions (MtCO<sub>2eq</sub>)

Total Absolute GHG emissions (location-based – MtCO<sub>2eq</sub>)<sup>(3)</sup>





	GENERATION	NETWORKS	CUSTOMERS	OTHER
<b>Direct Scope 1 GHG Emissions (MtCO<sub>2eq</sub>)</b>	<p>● Generation from thermal sources</p> <p>● Other<sup>(4)</sup></p> <p>52.1 32.7</p> <p>0.5 0.5</p>	<p>● Auxiliary motors in grids</p> <p>● SF<sub>6</sub> losses in grids</p> <p>0.2 1.0</p> <p>0.1 0.1</p>		<p><b>REAL ESTATE</b></p> <p>● Offices</p> <p>● Company fleet of vehicles</p> <p>0.01 0.01</p> <p>0.08 0.08</p>
<b>Indirect Scope 2 GHG emissions (MtCO<sub>2eq</sub>) (location-based)</b>	<p>● Electricity consumed \ from the grid</p> <p>0.7 0.6</p>	<p>● Technical losses in the Enel grid</p> <p>3.1 2.7</p>		<p>● Electricity consumed from the grid in offices</p> <p>0.03 0.03</p>
<b>Indirect Scope 3 GHG emissions (MtCO<sub>2eq</sub>)</b>	<p>● Fuels (upstream)<sup>(5)</sup></p> <p>10.3 6.9</p>		<p>● Gas sales to the end customer</p> <p>● Electricity purchased for sale to the end customer</p> <p>20.6 16.8</p> <p>25.7 24.0</p>	<p>● Supply chain (including all business activities)</p> <p>● Transport of other raw materials and waste in various business activities</p> <p>14.4 8.8</p> <p>0.01 0.01</p>

- GHG source considered in SBTi target on Scope 1 GHG emissions Intensity relating to Power Generation.
- GHG source considered in the SBTi target on the Scope 1 and 3 emissions Intensity relating to Integrated Power.
- GHG source considered in the SBTi target on Absolute Scope 3 GHG emissions relating to Gas Retail.
- GHG source considered in SBTi target on Absolute additional GHG emissions Scope 1, 2 and 3.
- GHG source excluded from SBTi targets.

(1) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".  
 (2) The value according to the market-based methodology is 5.1 MtCO<sub>2eq</sub> in 2022 and 4.5 MtCO<sub>2eq</sub> in 2023.  
 (3) The value according to the market-based methodology is 129.2 MtCO<sub>2eq</sub> in 2022 and 95.6 MtCO<sub>2eq</sub> in 2023.  
 (4) Other: auxiliary engines in nuclear and renewable installations; losses or leaks of NF<sub>3</sub>, SF<sub>6</sub>, HFC and CH<sub>4</sub>; biogenic CH<sub>4</sub> emissions from hydroelectric reservoirs; transport of fuels on ships under its operational control.  
 (5) Includes extraction and transport of coal, gas and fuel oil related to generation activities; as well as the extraction and transport of gas sold to the end customer in the retail market.

## SCOPE 1 EMISSIONS

ACTIVITY	DESCRIPTION OF GHG SOURCE	TOTAL (tCO <sub>2eq</sub> )			2023 – COMBUSTION (tCO <sub>2eq</sub> )			2023 – FUGITIVE EMISSIONS (tCO <sub>2eq</sub> )				
		2023	2022	%	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	SF <sub>6</sub>	HFC <sub>s</sub>	NF <sub>3</sub>	NON-BIO CH <sub>4</sub>	BIO CH <sub>4</sub>
 GENERATION	● Thermoelectric generation activities, including gas and coal fired power plants, while also non CO <sub>2</sub> emissions from biomass	32,744,581	52,112,888	-37.2%	32,624,745	43,029	76,807	-	-	-	-	-
	● Auxiliary engines in nuclear and renewable power plants	12,835	19,077	-32.7%	12,796	14	26	-	-	-	-	-
	● Transportation of fuels (LNG and coal) and subproducts (ashes and gravel) on vessels under own operational control	151,498	148,917	1.7%	149,741	17	1,739	-	-	-	-	-
	● Fugitive CH <sub>4</sub> emissions in gas-fired thermal power plants	2,167	6,754	-67.9%	-	-	-	-	-	-	2,167	-
	● SF <sub>6</sub> losses in insulation systems of power plants	45,310	37,743	20.1%	-	-	-	45,310	-	-	-	-
	● Fugitive HFCs emissions in thermoelectric and hydropower plants, and PV manufacturing sites	1,427	4,638	-69.2%	-	-	-	-	1,427	-	-	-
	● Fugitive NF <sub>3</sub> emissions in photovoltaic panels manufacturing	-	4	-100.0%	-	-	-	-	-	-	-	-
	● Biogenic CH <sub>4</sub> emissions from hydroelectric basins	328,093	323,598	1.4%	-	-	-	-	-	-	-	328,093
 NETWORKS	● Auxiliary engines in distribution assets	1,032,588	224,942	359.0%	1,029,180	1,178	2,230	-	-	-	-	-
	● SF <sub>6</sub> losses in insulating systems for power distribution activities	101,429	105,173	-3.6%	-	-	-	101,429	-	-	-	-
 REAL ESTATE	● Heating systems and canteens in offices (diesel and natural gas), including all properties in all of the Group's Business Lines and offices	6,177	6,385	-3.3%	6,170	3	4	-	-	-	-	-
	● Company fleet of vehicles (diesel and gasoline)	80,772	76,550	5.5%	78,871	351	1,551	-	-	-	-	-
	● Fugitive HFC emissions in offices	3,680	900	309.0%	-	-	-	-	3,680	-	-	-
<b>TOTAL</b>		<b>34,510,557</b>	<b>53,067,569</b>	<b>-34.9%</b>	<b>33,901,503</b>	<b>44,592</b>	<b>82,356</b>	<b>146,739</b>	<b>5,106</b>	<b>-</b>	<b>2,167</b>	<b>328,093</b>

- GHG source considered in SBTi target on Scope 1 GHG emissions Intensity relating to Power Generation.
- GHG source considered in the SBTi target on the Scope 1 and 3 GHG emissions Intensity relating to Integrated Power.
- GHG source considered in SBTi target on absolute additional GHG emissions Scope 1, 2 and 3.
- GHG source excluded from SBTi targets.

In 2023, Scope 1 GHG emissions were 34,510,557 tCO<sub>2eq</sub>, accounting for 36.6% of total GHG emissions and resulting in a significant reduction compared to 2022 (35.0% reduction).

The share of Scope 1 GHG emissions (including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) relating to the combustion of fuels for power generation accounted for more than 94.9% of the total Scope 1 value. These emissions, amounting to 32,744,581 tCO<sub>2eq</sub>, were reduced by 37.2% compared to 2022, thanks to a 38% reduction in thermal power generation resulting from lower coal-fired and CCGT generation in Italy, Iberia and Chile and from the sale of thermal power plants in Russia in 2022 and Argentina in 2023. In addition, power generation from renewables has increased by 13% since 2022 (with significant increases in hydroelectric and solar

power generation, 18% and 29%, respectively), contributing to displace power generation from fossil fuels.

The percentage of emissions subject to local regulatory systems was 83.0%, broken down as follows:



- 74.1% of total Scope 1 emissions related to power plants in the EU-ETS system in Italy and Spain;
- 8.9% of total Scope 1 emissions related to power plants under the green tax system in Chile (Sistema de Impuestos Verdes).

Other Scope 1 emissions (including those from auxiliary power plant services and distribution sites, fugitive emissions, vehicle fleet, buildings, and fuel transport in proprietary vessels) amounted to 1,765,976 tCO<sub>2eq</sub> combined, accounting for 5.1% of total Scope 1 emissions.

Regarding biomass and biogas, direct emissions of CH<sub>4</sub> and N<sub>2</sub>O related to combustion for power generation, amounting to 28,631 tCO<sub>2eq</sub> in 2023, are part of the Scope

1 calculation, while the corresponding biogenic CO<sub>2</sub> emissions, amounting to 96,277 tCO<sub>2</sub>, are reported separately in line with the GHG Protocol guidelines.

## SCOPE 2 EMISSIONS

ACTIVITY	DESCRIPTION OF GHG SOURCE	LOCATION-BASED			MARKET-BASED		
		2023	2022 <sup>(1)</sup>	%	2023	2022 <sup>(1)</sup>	%
 <b>GENERATION AND OTHER</b>	<ul style="list-style-type: none"> <li>Electricity consumption from the grid in power plants, including hydro pumped-storage power plants</li> </ul>	568,045	656,313	-13.4%	797,733	867,282	-8.0%
	<ul style="list-style-type: none"> <li>Electricity consumption from the grid at port terminals in Spain, PV production site in Italy (3Sun) and non-operational mining site in Italy (Santa Barbara)</li> </ul>	6,624	3,975	66.7%	1,433	1,630	-12.1%
 <b>NETWORKS</b>	<ul style="list-style-type: none"> <li>GHG emissions associated with technical losses from the grid</li> </ul>	2,675,141	3,122,314	-14.3%	3,698,260	4,205,610	-12.1%
<b>REAL ESTATE</b>	<ul style="list-style-type: none"> <li>Electricity consumption in buildings and offices</li> </ul>	27,865	34,412	-19.0%	8,735	25,684	-66.0%
<b>TOTAL FROM ELECTRICITY CONSUMPTION</b>		<b>602,534</b>	<b>694,699</b>	<b>-13.3%</b>	<b>807,901</b>	<b>894,596</b>	<b>-9.7%</b>
<b>TOTAL FROM TECHNICAL LOSSES FROM THE GRID</b>		<b>2,675,141</b>	<b>3,122,314</b>	<b>-14.3%</b>	<b>3,698,260</b>	<b>4,205,610</b>	<b>-12.1%</b>
<b>TOTAL SCOPE 2</b>		<b>3,277,674</b>	<b>3,817,013</b>	<b>-14.1%</b>	<b>4,506,161</b>	<b>5,100,206</b>	<b>-11.6%</b>

● GHG source considered in SBTi target on absolute additional GHG emissions Scope 1, 2 and 3.

(1) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".

**In 2023, Scope 2 GHG emissions amounted to 3,277,674 tCO<sub>2eq</sub>** according to a location-based approach, accounting for 3.5% of total GHG emissions, while being 14.1% less than in 2022<sup>(9)</sup>. When considering the market-based model, they instead amount to 4,506,161 tCO<sub>2eq</sub>. The two sources related to Scope 2 emissions are lower than in 2022. Specifically:




- **Scope 2 emissions from electricity consumed by the Group** decreased by 13.3% as a result of an 8% reduction of electricity consumption in power plants and build-

ings, as well as improved local emission factors in some countries where the Group operates, reaching 602,534 tCO<sub>2eq</sub>;

- **Scope 2 emissions from technical grid losses** decreased by 14.3%, as consequence of the technical losses reduction in most countries where electricity is distributed, supported also by the improvement of some local emission factors, reaching a value of 2,675,141 tCO<sub>2eq</sub>.

(9) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".

## SCOPE 3 EMISSIONS

ACTIVITY	DESCRIPTION OF GHG SOURCE	TOTAL (tCO <sub>2eq</sub> )		%
		2023	2022 <sup>(1)</sup>	
UPSTREAM SCOPE 3 EMISSIONS				
<b>ALL</b>	● Category 1 – Purchase of goods and services	8,815,466	14,411,116	-38.8%
 <b>GENERATION AND OTHER</b>	Category 3 – Fuels and energy-related activities not included in Scope 1 and 2: ● Category 3A – Upstream emissions of purchased coal <sup>(2)</sup>	1,028,425	1,882,384	-45.4%
	● Category 3A – Upstream emissions of purchased natural gas <sup>(3)</sup>	5,890,020	8,419,124	-30.0%
	● Category 3A – Upstream emissions of purchased fuel oil and biomass <sup>(4)</sup>	5,151	5,934	-13.2%
 <b>MARKET</b>	● Category 3D – Generation of electricity purchased from third parties and sold to end customers <sup>(1)</sup>	23,995,410	25,673,107	-6.5%
<b>ALL</b>	● Category 4 – Upstream transport and distribution	9,352	9,842	-5.0%
DOWNSTREAM SCOPE 3 EMISSIONS				
 <b>MARKET</b>	● Category 11 – Use of sold products: Emissions from the use of gas sold by end customers <sup>(1)</sup>	16,789,600	20,633,606	-18.6%
<b>Total</b>		<b>56,533,423</b>	<b>71,035,113</b>	<b>-20.4%</b>

- GHG source considered in the SBTi target on the Scope 1 and 3 GHG emissions Intensity relating to Integrated Power.
- GHG source considered in the SBTi target on Absolute Scope 3 GHG emissions relating to Gas Retail.
- GHG source considered in SBTi target on absolute additional GHG emissions Scope 1, 2 and 3.
- GHG source excluded from SBTi targets.

- (1) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".
- (2) Includes the activities of coal mining and transport by ship by third parties, and also the transport of ash by ship by third parties.
- (3) Includes the extraction and transportation of natural gas for the electricity generation and also for sale to the end customer.
- (4) Includes road transport activities of purchased fuel oil and biomass.

### In 2023, Scope 3 GHG emissions amounted to 56,533,423

tCO<sub>2eq</sub>, accounting for 59.9% of total GHG emissions and resulting in a significant reduction of 20.4% compared to 2022<sup>(10)</sup>.

There has been a significant reduction in all Scope 3 sources, in particular:

- indirect GHG emissions from the **supply chain** (category 1) amounted to 8,815,466 tCO<sub>2eq</sub>, 38.8% lower than in 2022<sup>(9)</sup>, due to a reduction in the absolute amount of spending on orders, the purchase of materials with a lower carbon footprint, and a 23% reduction in the ratio of emissions per unit of spending (from 903 tCO<sub>2eq</sub>/€mil in 2022 to 684 tCO<sub>2eq</sub>/€mil in 2023);
- indirect GHG emissions from **upstream coal** (category 3A), including mining and transport by sea (including ash), amounted to 1,028,425 tCO<sub>2eq</sub>, a decrease of 45.4% following a reduction of more than 45% in coal-fired power generation (from 19.7 TWh in 2022 to 10.8 TWh in 2023);
- Indirect GHG emissions from **upstream gas** (category 3A), which include the extraction and transportation

of natural gas consumed in gas-fired power plants and natural gas sold on the retail market, amounted to 5,890,020 tCO<sub>2eq</sub>, a decrease of 30.0% compared to 2022<sup>9</sup> which was affected by a 35% reduction in gas-fired electricity generation in thermoelectric plants due to lower production in Italy and Iberia and the sale of thermal power plants in Russia and Argentina, as well as a reduction in gas retail sales (the amounts sold decreased by 19% from 10.2 bcm in 2022 to 8.3 bcm in 2023);

- indirect GHG emissions from **upstream of fuel oil, biomass, and other** (category 3A) amounted to 5,151 tCO<sub>2eq</sub>, 13.2% less than in 2022. It should be noted that no biomass was purchased and transported to Italy during the year 2023. All biomass consumed was part of the residual stock from 2022;
- indirect greenhouse gas emissions from **third-party generation of electricity purchased and sold to end customers** (category 3D) amounted to 23,995,410 tCO<sub>2eq</sub>. They decreased by 6.5% compared to 2022<sup>(9)</sup>, due primarily to a 7% reduction in the gap between energy

(10) 2022 figures were restated according to the methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".

sales to end customers (including by the Group's distribution companies operating in regulated markets in Latin America) and the Group's own production in countries where it has an integrated position (Italy, Spain, Brazil, Chile, Colombia, Argentina and Peru) and, to a lesser extent, to improved local emission factors in some of these countries;

- **indirect greenhouse gas emissions from products sold** (category 11), related to the use of natural gas sold to end customers in the retail market, amounted to 16,789,600 tCO<sub>2eq</sub> in 2023. They decreased by 18.6% from 2022<sup>(11)</sup> due to a 19% reduction in natural gas volumes sold to end customers. The sale of assets and activities in Romania contributed to this reduction, even though with a limited impact since the sale was completed in October 2023.

### Non-biogenic methane emissions (CH<sub>4</sub>)

Enel monitors non-biogenic methane emissions throughout its value chain, including both direct and indirect emissions.

There are two sources of **direct methane emissions** (Scope 1):

- methane emissions from the combustion of fuels, mainly in power plants for electricity generation, and to

a lesser extent in auxiliary power plant services, grids, and building and fleet management. These emissions are calculated based on fuel consumption by applying the corresponding fuel-specific IPCC emission factor. This source amounted to 44,592 tCO<sub>2eq</sub>, accounting for 0.13% of Scope 1 emissions in 2023;

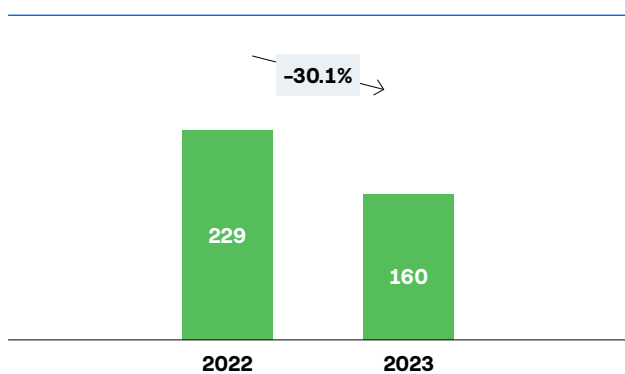
- methane emissions from leaks in gas-fired power plants. They are monitored and calculated according to internal procedures that follow the leak detection and repair (LDAR) method. This source amounted to 2,167 tCO<sub>2eq</sub> in 2023, accounting for 0.01% of Scope 1 emissions in 2023.

As for **indirect methane emissions** (Scope 3), they relate mainly to fuel combustion and losses in the coal mining process and in the extraction and transportation of fossil fuels from the Group's suppliers. They are calculated using reliable secondary data for each specific phase (from the extraction phase to gas distribution) in line with IPCC factors, and are part of the previously disclosed data on Scope 3 emissions from upstream fuels.

All direct and indirect emissions from methane leaks and fuel combustion in the Group's power plants and all indirect emissions related to the natural gas retail business will be fully mitigated by 2040, when the Group completes the divestment of all its thermoelectric capacity and gas retail business.

## Intensity metrics

### SCOPE 1 GHG EMISSIONS INTENSITY RELATING TO POWER GENERATION (gCO<sub>2eq</sub>/kWh)



This metric considers Scope 1 emissions Intensity relating to Power Generation, including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O and excludes pure pumped storage hydropower generation, measured in grams of CO<sub>2eq</sub> per kWh.

Worldwide greenhouse gas (GHG) emissions continued to increase in 2023, largely due to the economic rebound and a further increase in fossil fuel consumption, with the energy crisis and high natural gas and liquefied natural gas prices triggering an increased use of unabated coal as a cheaper but more emissive fuel.

The Group, however, managed to reduce its direct and indirect GHG emissions across its entire value chain by 26.3% overall, compared to the previous year. In addition, the Group, it also reduced its Scope 1 GHG emissions Intensity relating to Power Generation by more than 30.1%, from 229 gCO<sub>2eq</sub>/kWh in 2022 down to 160 gCO<sub>2eq</sub>/kWh in 2023. Such reduction is the result of a 12.9% increase in consolidated production from renewable sources and a 37.5% reduction in consolidated production from thermoelectric sources compared to 2022, as a consequence of the Group's strategy of shifting its energy mix portfolio towards renewables and to advancing in its decarbonization process.

(11) The 2022 values were recalculated based on methodological changes set out in the paragraph "Methodology for calculating greenhouse gas emissions".

Nevertheless, the war in Ukraine and the consequent restrictions in EU gas imports from Russia, which caused a decrease in gas availability accompanied by a surge in the wholesale prices of electricity and gas with severe effects for households and businesses, led the EU governments to implement a range of policy responses to mitigate the impact of higher costs and ensure the energy system's stability.

In particular, the Italian government responded with a national natural gas consumption containment plan that included, among its measures, the maximization of electricity generation in the thermoelectric sector using fuels other than gas. This was achieved through Decree 14/2022, which required the country's national transmission system operator (TSO) to define a program aimed at maximizing power generation from coal-fired power plants until the end of September 2023. Consequently, the TSO identified Enel's coal-fired power plants as essential and required them to maximize their production.

On the other hand, in Spain, the government authorization for the closure of As Pontes coal power plant requested by Enel's subsidiary Endesa in December 2019 for June 2021 was postponed until the end of 2023 as the power plant was identified as essential by the transmission system operator.

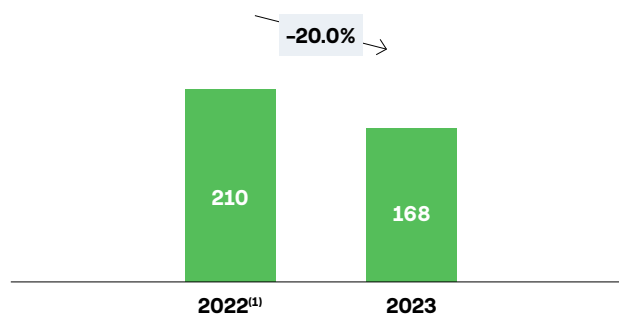
As a consequence of the unprecedented crisis that the European energy system faced in 2022 and 2023, the Group's emission reduction carried out in 2023 was not enough to meet the Scope 1 GHG emissions Intensity target relating to Power Generation set for 2023 and announced at the Capital Markets Day held in November 2020 for the launch of the 2021–2023 Strategic Plan. Due to the energy crisis, the intensity figure stood slightly higher than the target of 148 gCO<sub>2eq</sub>/kWh. **In the absence of the above-mentioned effect, Enel would have been able to achieve a level of emission intensity well below the target of 148 gCO<sub>2eq</sub>/kWh.**

As a consequence, the Group's sustainability-linked instruments which set the Scope 1 GHG emissions Intensity target relating to Power Generation of 148 gCO<sub>2eq</sub>/kWh for 2023 will be subject to an increase of the relevant margin and Enel will comply with its obligations in accordance with the terms and conditions of the legal documentation of such Sustainability-Linked transactions.

Despite these unprecedented circumstances, the **Group's emissions intensity in 2023 remained in line with the 1.5 °C pathway**. In fact, the sector's decarbonization approach of the SBTi established a maximum threshold of 246 gCO<sub>2eq</sub>/kWh for Enel for 2023, well above the actual figure.

Ultimately, **Enel's commitment to decarbonization remains confirmed for the short, medium and long term, as envisaged in the new 2024–2026 Strategic Plan**, which establishes a new short-term target for 2026 of 125 gCO<sub>2eq</sub>/kWh. This new target has been included in the Sustainability Linked Financing Framework updated in January 2024 and linked to the first launch of sustainability-linked bonds in 2024, confirming Enel's commitment to the energy transition as well as contributing to the environmental and financial sustainability of the Group's development strategy. Furthermore, the target for 2030 to reduce 80% of the Scope 1 GHG emissions Intensity relating to Power Generation with respect to the 2017 baseline and the final target for 2040 aimed at reducing 100% of these emissions without relying on any type of offset or carbon removal mechanism remain confirmed as well.

### SCOPE 1 AND 3 GHG EMISSIONS INTENSITY RELATING TO INTEGRATED POWER (gCO<sub>2eq</sub>/kWh)



(1) Restated according to methodological changes described in the paragraph "Methodology for calculating greenhouse gas emissions".

This metric is calculated by combining the Group's direct GHG emissions (Scope 1, including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) from power generation and the Group's indirect GHG emissions (Scope 3) from generation of electricity purchased and sold to end customers, divided by electricity generation and purchases (excluding pure pumped stored hydropower generation).

In 2023, this value reached 168 gCO<sub>2eq</sub>/kWh, reduced by 20.0% compared to 2022 following a:

- reduction of 37.2% in absolute Scope 1 emissions relating to Power Generation as a result of a 37.5% reduction in thermal power generation;
- a reduction of 6.5% in absolute Scope 3 emissions from energy purchased from third parties and sold to end customers, due to an overall 7% reduction in the gap between energy sales to end customers (including by the Group's distribution companies operating in regulated markets in Latin America) and the Group's own production in countries where it has an integrated position (Italy, Spain, Brazil, Chile, Colombia, Argentina and Peru) and, to a lesser extent, to improved local emission factors in some of these countries.

## Financial, operational and environmental metrics connected with climate change

### Financial metrics connected with climate change

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

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

Financial metrics	UM	2023	2022	2023-2022	%
Ordinary EBITDA for low-carbon products, services and technologies <sup>(1)</sup>	billions of euros	17.9	13.9	4.0	29.4
Capex for low-carbon products, services and technologies	billions of euros	12.8	13.3	-0.5	-3.8
	% of total Capex	94.6	92.1	2.5	-
Revenues from coal plants	billions of euros	2.9	6.5	-3.6	-
	% of total revenues	3.0	4.6	-1.6	-
Revenues from thermal generation	billions of euros	14.0	24.1	-10.1	-72.1
	% of total revenues	14.7	17.2	-2.5	-
Revenues from nuclear plants	billions of euros	1.5	1.6	-0.1	-6.7
	% of total revenues	1.5	1.1	0.4	-
Debt ratio with sustainability criteria	%	64	63	1.0	-
Reference price of CO <sub>2</sub>	(€/ton)	71	86	-15.0	-17.4
Ratio of total absolute emissions (Scope 1, 2 and 3) to total revenue (location based)	tCO <sub>2eq</sub> /€mil	987	910	77	7.8
Ratio of total absolute emissions (Scope 1, 2 and 3) to total revenue (market based)	tCO <sub>2eq</sub> /€mil	1,000	919	81	8.1

(1) Ordinary EBITDA for low-carbon products, services and technologies represents the ordinary gross operating margin of the low-carbon products, services and technologies included in the following business lines: Enel Green Power, Enel Grids, Enel X and End-user Markets (excluding gas).

In 2023, Enel's ordinary EBITDA associated with low-carbon technologies, services and solutions was 17,982 million euros, an increase of 29.4% compared to 2022. Capex dedicated to low-carbon technologies, services and solutions is in line with 2022 values, reaching 12.8 billion euros, accounting for 94.6% of total Capex.

The percentage incidence of revenues from coal-fired plants is down, mainly attributable to lower quantities generated from thermoelectric sources, partly as a result of higher renewable production, especially from hydroelectric sources. Specifically, in 2023, revenues related to coal-fired plants correspond to 3.0% of the Group's total revenues.

Enel's strategy of promoting a sustainable financial model has contributed to reaching 64% of the debt related to the sustainability goals.

With regard to the effects of climate change issues, the Group considers them an implicit element in the application of the methodologies and models used to make estimates in the valuation and/or measurement of certain accounting items. Furthermore, the Group has also taken into account the impacts of climate change in the significant judgments made by management. In this regard, the main items included in the Integrated Annual Report for the year ended December 31, 2023 affected by the use of Management estimates and judgments concern the impairment of non-financial assets, bonds related to the energy transition, including those for decommissioning and the site restoration of certain power generation plants.

For further details, please refer to **section 6. Climate Change Disclosures** in the 2023 Integrated Annual Report.





## Additional operational and environmental metrics connected with climate change

The following table shows other operational and environmental metrics related to climate change, in addition to the greenhouse gas emissions and operational metrics

(generation, distribution and customers) previously described in the paragraph "Enel's performance in tackling climate change".

	UM	2023	2022	2023-2022	%
<b>Generation efficiency</b>					
Average efficiency of thermal plants <sup>(1)</sup>	%	42.0	42.8	-0.8	-
Total direct fuel consumption	Mtoe	19.3	26.5	-7.2	-27.2
<b>Electrification, energy efficiency and new services for customers</b>					
Public charging points <sup>(2)</sup>	no.	24,281	22,112	2,169	9.8%
Demand response capacity	MW	9,588	8,476	1,112	13.1%
Storage	MW	1,730	760	970	-
<b>Environmental metrics</b>					
Total specific withdrawals of fresh water <sup>(3)</sup>	l/kWh <sub>eq</sub>	0.20	0.23	-0.03	-13.0
Water withdrawals in water-stressed areas <sup>(3)</sup>	%	23.3	19.3	4.0	-
Generation with water withdrawal in water stressed areas	%	11.4	13.3	1.9	-

- (1) The calculation does not consider Italian O&G plants being decommissioned or of marginal impact. Average efficiency is calculated on the basis of the plant fleet and is weighted by generation.
- (2) It should be noted that the figures shown, if they also included the charging points of companies operated in joint ventures, would be 25,337 as of December 31, 2023, and 22,617 as of December 31, 2022.
- (3) As of last year, Enel has strengthened its commitment to preserving water resources, aiming to reduce freshwater withdrawal by 65% from 2017. By focusing on vulnerable water resources, Enel underlines its dedication to environmental protection and the common good, in line with EU sustainability standards (ESRS-E3 standard).

## Carbon credits purchase in voluntary markets

During 2023, carbon credits in the voluntary market totaling 82,256 tCO<sub>2eq</sub> were purchased and cancelled to meet specific customer requests. The purchase involved VERs

certified by Verra generated between 2015 and 2021. For more details, please refer to the following table:

Type of credit	Vintage	Technology	Certification	Total (t)
VER	2016	REDD+	Verra	1,000
VER	2015-2019	RES	Verra	27,256
VER	2021	Methane Recovery	Verra	54,000

These volumes have not been discounted in the calculation of direct and indirect emissions disclosed in the Sustainability Report and are not part of the Group's Net Zero commitment, since this commitment does not envisage the use of credits linked to projects that avoid greenhouse gas emissions.

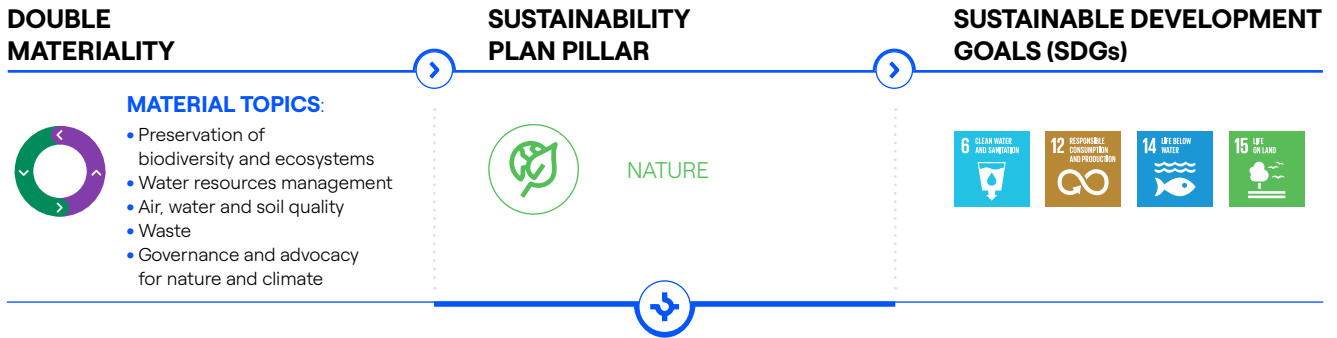
In the future, however, the Group may purchase, directly and/or indirectly, carbon removal credits purely for the purpose of neutralizing residual emissions (with a volume of less than 2.5 MtCO<sub>2eq</sub>) while meeting the 1.5 °C target as defined by SBTi. No such credits were purchased in 2023.

## Financial and operational targets

The main financial and operational targets that will contribute to reducing the Group's direct and indirect emissions along the entire value chain have been reported in

the paragraph "The strategy for tackling climate change" in this chapter.

# ROADMAP TOWARDS NATURAL CAPITAL CONSERVATION



Enel is pursuing its path of sustainable development by promoting natural capital conservation and fighting against climate change. The Group sets specific targets for reducing impacts, restoring habitats, and sharing the opportunities and benefits of ecosystem services with the communities Enel interacts with.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
<b>PRESERVATION OF BIODIVERSITY AND ECOSYSTEMS</b>			
Extra Checking on Site (ECoS) on environmental issues	89 ECoS carried out on environmental issues	50 ECoS carried out on environmental issues in 2026	14 15
<b>BIODIVERSITY PROTECTION</b>			
Preservation of biodiversity	<ul style="list-style-type: none"> <li>• Group guidelines established to verify the No Net Loss target for new projects and applications on the Generation and Grids pilot projects;</li> <li>• creation of a catalog of nature-based solutions for urban biodiversity projects and application.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No Net Loss</b> <ul style="list-style-type: none"> <li>– implementation on selected projects in high biodiversity areas starting from 2025;</li> <li>– implementation for new infrastructures by 2030;</li> </ul> </li> <li>• <b>No Net Deforestation</b> by 2030;</li> <li>• <b>No Go</b> in areas designated as UNESCO World Heritage Natural Sites<sup>(1)</sup>.</li> </ul>	14 15
	<p><b>Awareness of the value of biodiversity and new partnerships:</b></p> <ul style="list-style-type: none"> <li>• a biodiversity awareness campaign targeted at all internal staff was launched in December 2023 and reinforced in 2024;</li> <li>• partnerships were consolidated globally, while also maintaining oversight at the local level.</li> </ul>	<p><b>Awareness of environmental issues and natural capital conservation:</b> launch of an annual awareness campaign on environmental issues/natural capital conservation based on the results of the double materiality analysis<sup>(2)</sup>.</p>	14 15

(1) Commitment related to new generation infrastructure.

(2) Target has been redefined as partnerships have been established and the focus is on spreading awareness of environmental issues and natural capital conservation.

**Goals**

New   
 Redefined   
 Outdated

**Progress**

Not in line   
 In line   
 Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
Preservation of biodiversity	<b>Nature risk/opportunity analysis:</b> internal application of TNFD guidelines to assess impacts, risks and opportunities: an assessment of the business and technology impact, risks and opportunities was conducted based on TNFD guidelines.	<b>Analysis and management of Impacts, Risks and Opportunities relating to environmental issues:</b> consolidation of the assessment of nature impact, risks and opportunities following the materiality analysis and updates to the respective action plan in 2026 <sup>(3)</sup> .	14 15
	<b>Nature footprint - Assessment metrics and restoration plan:</b> consolidation of the Group's Biodiversity KPIs.		14 15

#### WATER RESOURCES MANAGEMENT

Reduction of specific fresh water withdrawal	-53% vs 2017	-58% in 2026 compared to 2017 -65% in 2026 compared to 2017	6 12
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#### AIR QUALITY

Reduction of specific SO <sub>2</sub> emissions	-75% vs 2017	-81% in 2026 compared to 2017 -85% in 2030 compared to 2017	12
Reduction of specific NO <sub>x</sub> emissions	-53% vs 2017	-51% in 2026 compared to 2017 -70% in 2030 compared to 2017	12
Reduction of specific dust emissions	-54% vs 2017	-54% in 2026 compared to 2017 -60% in 2030 compared to 2017	12

#### WASTE MANAGEMENT

Reduction in the weight of total waste generated	-51% vs 2017	-55% in 2030 compared to 2017	12
Promoting and disseminating good practices on waste management and end-of-life	A program to raise awareness of waste management and share best practices on end-of-life was implemented, involving both internal staff and key contractors.	Target is considered outdated as widespread awareness has been gained on the issue	12
<b>"ZERO Plastic Project"</b> Reduction in the use of single-use plastic in Enel Group offices (office scope)	Reduction in single-use plastic (office scope) when compared to the pandemic period in the main countries of operation, especially Italy and Spain.	Target is considered outdated as it has been achieved in the main countries of operation	12
	• Enel sites in Italy <sup>(4)</sup> : -85%		12
	• Enel sites in Spain <sup>(4)</sup> : -85%		12

(3) Target has been redefined, integrating metrics and the recovery plan into the analysis of impacts, risks and opportunities.

(4) Compared to the volume of single-use plastic in 2018. Reduction calculated based on office attendance. Does not include offices with fewer than 20 employees.

# ROADMAP TOWARDS NATURAL CAPITAL CONSERVATION



**183** no.

**PROJECTS FOR THE PROTECTION OF SPECIES AND NATURAL HABITATS IN OPERATIONAL SITES**

200 in 2022 **-8.5%**

**8,343** ha

**AREA COVERED BY NATURAL HABITAT RESTORATION PROJECTS**

9,452 ha in 2022 **-11.7%**

**0.20** l/kWh

**TOTAL SPECIFIC FRESHWATER WITHDRAWAL**

0.23 l/kWh in 2022 **-13.0%**

**0.09** g/kWh

**SPECIFIC SO<sub>2</sub> EMISSIONS**

0.07 g/kWh in 2022 **+28.6%**

**0.26** g/kWh

**SPECIFIC NO<sub>x</sub> EMISSIONS**

0.32 g/kWh in 2022 **-18.8%**

**0.006** g/kWh

**SPECIFIC DUST EMISSIONS**

0.005 g/kWh in 2022 **+20.0%**

**3.3** Mt

**WASTE PRODUCED BY OPERATING AND MAINTENANCE ACTIVITIES**

3.4 Mt in 2022 **-2.9%**



Enel upholds its commitment to sustainable development by actively promoting the protection of natural capital and the fight against climate change, through the definition of specific targets to reduce impacts, restore habitats and share opportunities and benefits of ecosystem services with the communities with which it interacts, in line with the Environmental Policy<sup>(1)</sup> and Biodiversity Policy<sup>(2)</sup>.

In 2023, plans set out in the **Kunming-Montreal Global Biodiversity Framework (December 2022)** at international level were launched, while at European level, regulations are being defined in order to slow the degradation of ecosystems, with the introduction of binding targets for Member States.

In particular, at European level, the main lines of action include:

- **Nature Restoration Law.** The regulation establishes an objective of implementing area-based restoration measures covering at least 20% of the EU's land and sea area by 2030, and all ecosystems in need of restoration by 2050, requiring Member States to formulate specific national plans. The proposal also includes specific objectives for urban ecosystems, agricultural and forest ecosystems. **Enel** has actively supported the Commission's activities, promoting synergies between the restoration of degraded areas and the development of renewable energies.
- **Air quality.** In 2023, the European Parliament and Council discussed the text of the proposal to **revise air quality directives**, confirming the introduction of a "zero pollution" objective for 2050, the alignment of European Union air quality standards with WHO (World Health Organization) recommendations, public awareness-raising with respect to atmospheric pollution, the establishment of an air quality index and the introduction of a new right for individuals who suffer from health damage to claim and obtain compensation. **Enel** actively participates in the review process by promoting the adoption of zero-emission technologies that generate benefits both globally, in terms of GHG reduction, and locally, in terms of reducing atmospheric pollution.
- **Industrial emissions.** As regards industrial pollution of air, water and soil, an institutional agreement was reached in 2023 on the text of the **Industrial Emissions Directive**, which establishes new rules and extends their scope to encompass an even greater number of

sectors – including large-scale intensive farming – as well as requiring the competent authorities to impose more stringent limits. The new rules are also aimed at increasing transparency and public participation in the authorization process. **Enel** supported the review process, particularly as pertains to large combustion plants, in line with the commitment it has already adopted for a number of years to progressively adapt power plants powered by fossil fuels, thanks to the introduction of technologies with low emissions of polluting substances. Furthermore, Enel actively supports the development of new technologies, such as electrification based on renewable energy, to support other sectors and uses of energy, such as the transport sector or heating and cooling of buildings.

- **Soil strategy.** As part of the **European Union Soil Strategy for 2030**, in 2023 the European Commission published a proposal for the first European law on soil monitoring. This directive aims to restore soil and ensure its sustainable use by establishing a robust and coherent monitoring framework for all Member States. In this context, Enel is supporting the proposed strategy, by promoting a circular approach to land management, in particular through the reuse and redevelopment of brownfield sites, as well as the repowering and lifetime extension of wind farms, in order to limit the use of soil. Furthermore, Enel is actively pursuing the reuse of areas within its industrial area. There are several projects on a global scale for the redevelopment of abandoned industrial sites of different sizes and in different contexts, which become a development opportunity for the surrounding area and for the country system.
- **Euro 7 standard for vehicles.** In 2023, an institutional agreement was reached on the revision of the Euro 7 standards, which establishes limits for pollutant emissions in internal combustion vehicles. The new standards will reduce pollutants for heavy vehicles. In this context, **Enel** supports the adoption of zero-emission mobility technologies, such as electric mobility.

Furthermore, Enel supports this path through its participation with Eurelectric in the Zero Pollution Stakeholder Platform ("**Towards a Zero Pollution Ambition for Air, Water and Soil – Building a Healthier Planet for Healthier People**"<sup>(3)</sup>).

(1) Since 1996 Enel has adopted a Group Environmental Policy, which was updated in 2018, 2022 and 2024. The Enel Group's Environmental Policy covers the entire value chain, applying to: (i) all the production phases of every product and service, including distribution and logistics phases, as well as the management of related waste; (ii) each site and building; (iii) all relationships with external stakeholders; (iv) all mergers and acquisitions; in addition, it is shared with (v) key business partners (including partners related to non-managed operations, joint ventures, outsourcing or third-party producers); (vi) every supplier, including service and contractor suppliers; (vii) due diligence and Merger&Acquisition processes.

(2) In 2015, Enel published the Group's Biodiversity Policy, which was updated in 2023 following the release of the Kunming-Montreal Global Biodiversity Framework.

(3) COM (2021) 400 final: Communication Pathway to a Healthy Planet for All – EU Action Plan: "Towards Zero Pollution for Air, Water and Soil".

# Partnership with associations and organizations for sustainable development

2-28

The fight against climate change and against the consequences it is having on the planet's biodiversity and ecosystems has increasingly become a priority, including at a social level, for governments, institutions, businesses and citizens. The latest COP 15 on biodiversity in Montreal, which led to the definition of the Global Biodiversity Framework, and the most recent global summits, such as the UN General Assembly in New York, COP 28 and the annual meeting of the World Economic Forum in Davos, have strongly contributed to increase the multi-stakeholder debate and renew awareness of issues related to nature and biodiversity, which can no longer be viewed in isolation from the current climate emergency. In this context, new coalitions and initiatives have arisen in recent years, aimed at encouraging multilateral dialogue and increasing political ambition for nature. Enel, which for years has been committed to partnering with the sector's main global stakeholders, also continued its active commitment into 2023 with actions such as:

- participating in the working group "Roadmaps to Nature Positive" promoted by the World Business Council for Sustainable Development (**WBCSD**), in which Enel actively participated as regards the energy sector. The roadmap, launched during the week of the UN General Assembly in New York in September 2023, is intended as a guide to help companies define ambitious and credible strategies and actions towards the nature positive objective of the Global Biodiversity Framework;
- the partnership with the Taskforce on Nature-related Financial Disclosures (**TNFD**) launched in 2021 within the Forum, and continued during 2023 with Enel's participation in the TNFD Pilot Program, which tested the new TNFD Framework and contributed to the publication of the TNFD recommendations to assist businesses and financial institutions in assessing and reporting on risks and opportunities linked to nature and biodiversity;
- joining the group of TNFD Early Adopters, in January 2024 and Enel's commitment to publish the first TNFD-aligned disclosure for the 2025 financial year, in line with the progressive strengthening of disclosure to meet TNFD recommendations. Nonetheless, the current disclosure already takes into account the majority of the TNFD recommendations;
- the partnership with **Business for Nature**, launched in 2020 with the signing of the call to action "Nature is Everyone's Business", has continued over the years to call on governments to adopt ambitious environmental policies to reverse the loss of nature in this decade. In 2023 Enel also contributed to the definition of the new Business for Nature strategy, participating in the "Business for Nature's Business Action Strategy" workshop;
- participation as a member of the **Coalition Linking Energy And Nature for action** (CLEANaction), promoted by WWF, which involves electrical companies and sector associations with the objective of assessing and mitigating the impacts and potential risks that new renewable energy generation projects could have on biodiversity and nature.

# Governance model for nature

2-9

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

The Board of Directors plays a central role in corporate governance, as do the committees it has established and which have the power to investigate, propose and advise, in order to ensure an adequate internal division of its functions, as well as a related party transactions committee. During 2023, the Corporate Governance and Sustainability Committee dealt with nature-related issues, reflected in the strategies and related implementation methods in 4 of the 7 meetings held, in particular during the review of: (i) the Sustainability Report for the 2022 financial year, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254/2016 for the same

year; (ii) the materiality analysis and the guidelines of the Sustainability Plan 2024-2026, including environmental targets; (iii) updates on the main activities carried out in 2023 by the Enel Group in the field of sustainability, on the status of implementation of the Sustainability Plan 2023-2025 and regarding Enel's inclusion in the main sustainability indices and ratings.



For more information on the tasks and activities carried out by the corporate bodies, please refer to the Enel Report on Corporate Governance and Ownership Structure, available on the [www.enel.com](http://www.enel.com) website, governance section, as well as the chapters "**Sound governance**" and "**Zero emissions ambition and just transition**" in this document.





# ENEL GROUP ENVIRONMENTAL POLICY

Enel is committed to protect the environment and natural resources, tackle climate change, and contribute towards sustainable economic development as integral part of Enel strategic planning, development, and operation. These are key factors in consolidating the Company's leading position in the energy markets.

Such commitment<sup>(1)</sup> is based on these **key principles**:

1. protect the environment by assessing and managing risk, preventing impacts and exploiting opportunities;
2. mitigate the effects of increasing environmental degradation and climate change while taking into consideration their social impacts;
3. set and review targets to avoid, mitigate or reduce impacts on terrestrial and water ecosystems while pursuing a continuous improvement approach on process and performances, making the necessary resources available;
4. improve and promote the environmental sustainability of products and services;
5. meet legal compliance obligations and voluntary commitments, ensuring that operations are carried out in accordance with the legal requirements of the different countries.

and pursues ten **Strategic Goals**:

1. **To apply internationally recognized Environmental Management Systems to the whole organization, underpinned by the principle of continuous improvement and by the adoption of environmental indicators to measure performance.**
  - a. Ensuring implementation of ISO certification 14001 and its extension to the entire scope of the Group's activities, streamlining certifications in the various organizational areas and operational sites
  - b. Identifying roles and responsibilities of management and employees in implementing the environmental management processes
  - c. Managing environmental risk, in particular, pollution prevention and emergency response situations, controlling and limiting any potential impact on people and the environment
2. **To reduce environmental impacts by using the best available technologies and best practices in the design, construction, operation and decommissioning stages of plants, with a life cycle approach.**
  - a. Applying, as extensible as possible, environmentally sustainable design criteria fostering circular solutions along the whole value chain
  - b. Assessing and mitigating environmental and social impacts caused by the construction of new power plants and infrastructure, their operation or by major repurposing activities, including any positive fall out connected to sites and/or materials optimization
  - c. Ensuring the internal development and application of international best practices and Best Available Technologies (BAT)
3. **To build assets and infrastructures that preserve the land and biodiversity.**
  - a. Assessing Dependencies, Impacts, Risks and Opportunities of the Group's activities on biodiversity, natural resources and ecosystem services related to communities or groups that have traditional or recognizable usage rights
  - b. Developing and implementing infrastructures based on the impacts' Mitigation Hierarchy principles (avoid, minimize, restore, compensate), as reported on Enel's Biodiversity Policy
  - c. Monitoring and reporting progress towards the achievement of local and global goals and targets, for accounting performances on biodiversity and natural capital management
  - d. Protecting habitat of high biodiversity value and, among these, natural, forests and protected areas
  - e. Mitigating the visual and landscape impacts of power and distribution plants and protecting archaeological assets during construction activities
  - f. Promoting innovative solutions of urban biodiversity in the implementation infrastructures and services
4. **To promote climate action aligned with limiting the increase of global temperature to 1.5 °C with respect to preindustrial era, accelerating the energy transition towards zero emissions, and increase business adaptation to climate change.**
  - a. To foster climate mitigation to reduce direct and indirect greenhouse gas emissions across the entire value chain by boosting renewables, sustainable and digital grids, electrification of energy demand and energy efficiency solutions, while managing transitional risks and seizing the potential opportunities that the energy transition provides
  - b. To reduce vulnerability to climate physical risks, both chronic and acute, increasing the resilience of the business activities and its infrastructure to the effects of climate change and the ability to respond promptly to adverse events

(1) As also clearly stated in the Group's Human Rights Policy.



- 
- 5. To preserve Water, Air and Soil and optimize water management.**
- a. Efficiently managing water resources for industrial uses, with a particular focus on “water stress” areas, reducing its consumption, minimizing freshwater withdrawal and increasing the recovery rate of wastewater
  - b. Preventing and reducing the pollutant load of wastewater through their treatment or the zero-discharge configuration
  - c. Preventing and controlling soil and air pollution, minimizing their impacts on ecosystem, and conducting rehabilitation as needed
  - d. Adopting water management plans in hydropower plants that preserve the ecological state of catchments and the multipurpose services for local communities

- 
- 6. To ensure optimal waste management.**
- a. Preventing and reducing waste production by optimizing processes
  - b. Adopting and implementing a waste management plan based on a waste hierarchy approach to prevent, reuse, where possible recycle and lastly dispose
  - c. Substituting and minimizing use of substances of concern and phasing out substances of very high concern

- 
- 7. To promote circular economy approach and initiatives.**
- a. Applying, in collaboration with suppliers, a Circular Economy approach along the business value chain, implementing from the early stages circular by design solutions to reduce resource consumption and minimize life cycle environmental impact, maximizing the quantity of recovered end-of-life equipment and materials
  - b. Improving traceability of products, components and raw materials with significant actual or potential impacts on biodiversity and ecosystems along value chain
  - c. Improving Secondary Raw Material adoption for efficient resource management
  - d. Seizing life extension and equipment second life opportunities


- 
- 8. To develop innovative solutions for the environment.**
- a. Digitalizing process, and data management optimization
  - b. Developing innovative solutions to support renewable energy generation, integrated with energy storage systems
  - c. Strengthening smart grids as an enabling factor of the energy transition towards renewable and distributed energy

- 
- 9. To promote sustainable environmental practices with suppliers, contractors, customers and partners.**
- a. Extending Enel’s approach on management and improvement of environmental performance to partnership
  - b. Qualifying suppliers by assessment criteria based on environmental risk and performances
  - c. Assessing suppliers according to their environmental performances in activities carried out on Enel’s behalf, fostering the implementation of environmental management systems

- 
- 10. To communicate with citizens, institutions, the Group’s workforce and any other relevant stakeholders about the Company’s environmental performance.**
- a. Communicating the Company’s performance regularly and transparently and providing open data access to the Group’s key environmental parameters and initiatives
  - b. Consulting and engaging periodically local stakeholders by free, prior and informed consent
  - c. Providing awareness campaign and training for employees to ensure their engagement and to increase competences;
  - d. Contributing to increasing environmental awareness of stakeholders

The Environmental Policy is submitted to the Board of Directors with the approval of the Sustainability Report and consequently disseminated and applied with the commitment of the Top Management.

**The Chief Executive Officer**  
Flavio Cattaneo



## Group environmental management

Enel ensures constant supervision and monitoring of environmentally relevant activities through a granular and harmonized organization at the level of central coordinating structures and at Country level. Specifically:

- at **Group (Holding)** level there is a central HSEQ (Health, Safety, Environment and Quality) Function with responsibility for guidance, coordination and definition of environmental policy and all other specific guidance policies. Within the HSEQ Function, the SHE Factory has been created, which is a unit dedicated to specialized training for internal staff on Safety, Health and Environment issues;
- at **Business Line** level, there are HSEQ Functions whose role is to coordinate the management of the respective environmental issues, ensuring the necessary specialist support in keeping with the Holding's guidelines;
- at **Country** level, there are Staff and Business Line structures as well as managers and contact persons identified in the individual operating units that manage the specific aspects of the various industrial sites.

Roles and responsibilities on Health, Safety, Environment and Quality issues are defined and reported in the Company organization charts; delegations of function with power of attorney are also issued in both environmental and safety matters, with assignment of necessary related decision-making and spending powers. This organization ensures the definition and management of operational procedures on these topics, in conformity with country regulations, as well as the compliance of the Integrated Health, Safety and Environment Management System with the requirements of international standards ISO 14001:2015 and ISO 45001:2018.

Application of **ISO 14001 certified Environmental Man-**

**agement Systems (EMS)** is one of the strategic tools defined by the Group's Environmental Policy. At the end of 2023, almost all staff (**93%<sup>(4)</sup>**) were certified, while for new plants and installations, activities are progressively planned with a view to preparing for certification. Given the complexity and variety of activities carried out in the Group, an ISO 14001:2015 certified modular approach has been adopted, with the definition of a management system at Holding level, which provides guidance and coordination to the Business Lines on environmental issues. Each Business Line has launched its own EMS focused on its own specific activities. Furthermore, the main thermal and geothermal production sites in Europe now also have EMAS (Eco-Management and Audit Scheme) registration. In support of activities for monitoring environmental performance and the definition of improved plans for the operating units of the Business Lines, the **Group environmental reporting system** Enel Data on Environment (EDEN) is used. During 2023, further improvements were made to version 2.0 of the EDEN tool, in order to make the data validation system and the calculation and reporting of environmental KPIs even more robust. Enel also has the **global digital dashboards** She.metrics and She.start for monitoring environmental accidents and improvement actions, which are defined during assessments or Extra Checking on Site (see the paragraph "Operational analysis and monitoring tools").

Enel has also **promoted the extension of the principles of Environment and Safety to its partners** for new stewardships, with the aim of defining measures for managing environmental impacts and risks, as well as commitments to the protection and conservation of natural habitats.

## Training and internal communication

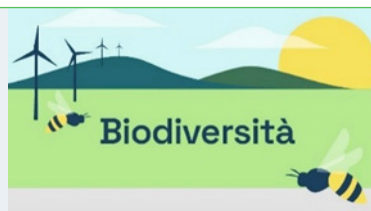
Training is one of the strategic objectives of the Group's policy and forms an integral part of the EMS. In 2023, approximately **32,000 hours of training on the environment and nature** were provided to more than 13,000 employees, of which over 8,000 hours were provided directly through SHE Factory. Among the activities was the ongoing implementation of the environmental training program, targeted at increasing the skills of the Group's technical staff and people with operational responsibilities (Environmental Competence Building Program). In particular, in addition to the pillars already covered in previous years, and subse-

quently reprised in some local areas – which concerned **management of waste** and **contaminated sites** as well as **water** and **wastewater management** – a topic that is very topical and characteristic to the Group's business has been added, namely the **environmental management of batteries**. Besides the training of technical specialists, SHE Factory actively defines and coordinates awareness campaigns at Group level on strategic issues. The objective for 2023 was to raise awareness on **biodiversity issues** and **waste management**.

(4) In 2023 the reporting methodology was revised so as to base it on the number of people covered by the management system. This led to a deviation of 99% compared with the data published in 2022, which referred to the Company's entire portfolio.

### Biodiversity Awareness.

Every year, Enel promotes in-house initiatives with the aim of promoting greater awareness to all its employees on biodiversity protection. A webinar on biodiversity was produced in 2023 that covered, among other things, the policy principles and commitment of the Group, performance monitoring, the main impacts of the business on biodiversity and, finally, ongoing projects of the various Business



Lines. The course was provided to all Group staff and was made available in the various internal environmental training modules.

### Waste Awareness.

In 2023, a global campaign on waste management was delivered through webinars and in-person sessions, which involved over 4,500 colleagues with management and/or operational responsibility roles in this sector, as well as almost 700 of the main contracted companies present in all Countries, Regions and Business Lines, and which produce or manage waste during the course of their activities. The campaign was aimed at strengthening knowledge of the waste management guidelines adopted by the Group, as well as raising awareness about best waste management and recovery practices, from production



to storage, transport and end destination. In the main countries of the Group, awareness days were also organized for contractors to encourage correct management of environmental issues, with a particular focus on the importance of their commitment to correct waste management and maximizing waste recovery, across the entire supply chain.

## Assessing impacts, dependencies and risks

The identification of potential **impact** factors on nature and biodiversity is fundamental for Enel in order to define the most effective strategies to avoid, minimize, remediate or compensate for the associated impacts, in line with the provisions of the **Mitigation Hierarchy** included in the Group's Environmental Policy. Similarly, the identification of **dependencies** on natural capital and biodiversity makes it possible to identify the most appropriate strategies to reduce the related risks to the Company.

For the management of impacts and dependencies also with reference to **the entire value chain**, Enel has adopted a **combined and progressive approach**, aimed primarily at evaluating those related to direct activities in operational assets as well as in the design and construction of new assets and subsequently to the procurement of goods in the supply chain.

Specifically:

- as regards **direct activities in operating assets**, a basic investigation was carried out with data from the utility sector, aimed at defining materiality matrices for each technology relevant for the Group, identifying priority investigation sites (hotspots) by cross-referencing

with the site-specific characteristics of the asset, and performing a preliminary qualitative assessment of the levels of residual risk associated with each technology;

- as regards siting and construction of **new plants**, evaluations were undertaken with the aim of adopting unique evaluation criteria and specific objectives for No Net Loss and No Net Deforestation, as outlined in the paragraph "Enel's commitment to biodiversity";
- as regards the **supply chain**, from procurement plans for equipment and plant components, an analysis was launched in 2023 to examine the corresponding raw materials and the impacts associated with their extraction and refinement, particularly affecting habitats and environmental matrices.

The assessment of impacts, dependencies and risks, which are described in greater detail in the following paragraphs, was conducted in accordance with the general guidelines and recommendations for the energy sector developed by the Taskforce on Nature-related Financial Disclosures (TNFD) and, where applicable, by the Science Based Targets Network (SBTN).

## Impact factors

The analysis of **direct activities** covered all of the Group's main infrastructures, ranging from electricity production from renewable, thermal and nuclear sources, to electricity distribution systems, in the main countries where the Group is present<sup>(5)</sup>. Currently, the analysis does not consider activities and infrastructures linked to energy services, such as electric car charging stations, or staff offices, as they typically operate within built environments.

The main **impact factors** (or pressures) that may be exerted on nature are summarized in the following categories, which have been adopted as the starting point for analyzing actions implemented to mitigate the associated risks

1. use and modification of ecosystems (terrestrial, fresh water, marine);
2. use of resources (mainly water withdrawal);
3. climate change (GHG emissions);
4. pollution (emissions, discharge, waste);
5. disturbances (noise, odors, visual impact, artificial lighting) and introduction of invasive species.

The table shows the results of the preliminary materiality analysis of impact factors conducted at Group level for the various technologies via the ENCORE<sup>(6)</sup> tool applied to the utility sector, by internally reviewing the scores based on the specific construction and operating solutions adopted by the Group.

IMPACT FACTORS BY TECHNOLOGY	HYDRO	SOLAR	WIND	GEOTHERMAL	COAL	OIL & GAS	NUCLEAR	GRIDS
1.1 Use of terrestrial ecosystems	VM	M	M	M	M	M	M	M
1.2 Use of fresh water ecosystems	VM				NM	NM	NM	
2. Water withdrawal	M	NM		M	VM	VM	VM	
3. Emissions of climate-changing gases (GHG)	NM			NM	VM	M		NM
4.1 Air pollutants (non-GHG)	NM			M	M	NM	NM	
4.2 Water pollutants	M			NM	NM	NM	M	
4.3 Soil pollutants		NM	NM	M	M	NM	NM	M
4.4 Solid waste	M			NM	VM	NM	M	M
5. Disturbance factors	NM	M	M	M	NM	NM	M	M

VM Very Material   
 M Material   
 NM Not Material   
 ● Not applicable

The overall analysis indicates that, considering only the material impact factors with respect to the different technologies weighted according to their share of production at the Group level<sup>(7)</sup>, the **main impacts** on the environment

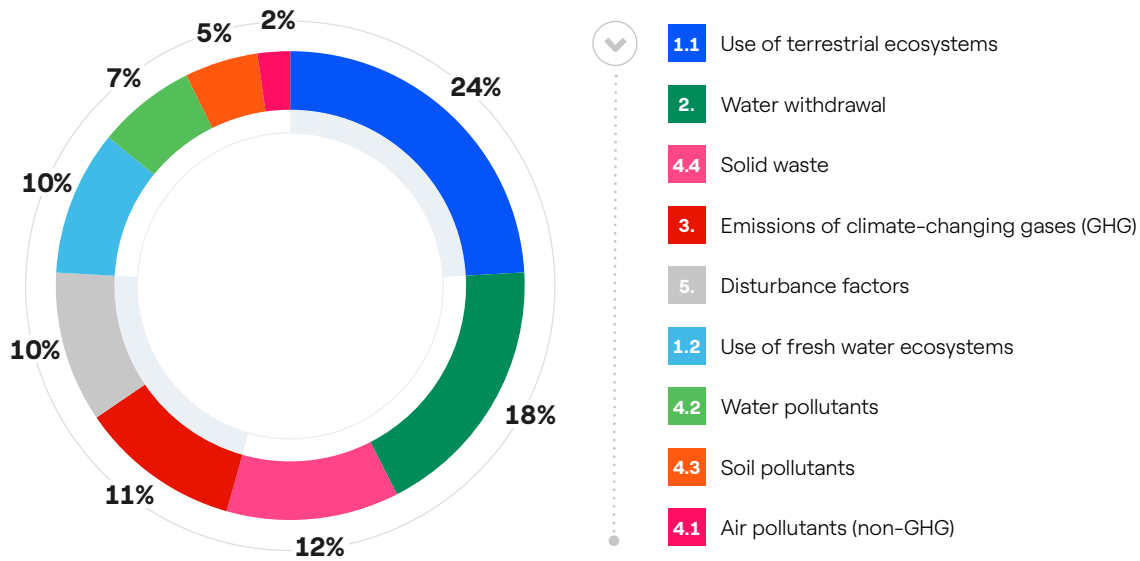
relating to direct activities are associated with the use/modification of terrestrial ecosystems and water withdrawal.

(5) Italy, Spain, Chile, Colombia, Brazil and the United States.

(6) ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure), a tool developed by the Natural Capital Finance Alliance (<https://encore.naturalcapital.finance/en/about>).

(7) Production data Y2022. Grids were given a conventional weighting, being the average of the values associated with the various generation technologies, also by virtue of its transversal function with respect to them.

IMPACT FACTORS PRIORITIZED BY MATERIALITY FOR THE DIFFERENT TECHNOLOGIES, WEIGHTED ACCORDING TO THEIR SHARE OF GENERATION



Dependencies

The **dependencies** found to be material for the main direct activities associated with technologies operated by the Group are attributable to the ecosystem services needed for operation of plants and infrastructures, as summarized below:

1. regulation of the climate and climatic events on which the operation of all assets depends;
2. protection from floods and extreme weather events, which are one of the primary causes of failure and unavailability of renewables plants (photovoltaic and wind) and distribution facilities;
3. availability of use of fresh water, surface water and groundwater for production cycles, mainly in thermo-electric power generation;
4. soil stabilization and erosion control, important for hy-

- droelectric reservoirs, renewables plants (photovoltaic and wind), and network infrastructure;
5. conservation of the water cycle, which enables the operation of hydroelectric power plants.

Dependencies on the quality of the water resource and on pollutant filtration capacity were not found to be material for the technologies considered, as reported below. The table shows the results of the preliminary materiality analysis of ecosystem dependencies conducted at Group level for the various technologies through the ENCORE tool applied to the utility sector, by internally reviewing the scores based on the specific construction and operating solutions adopted by the Group.

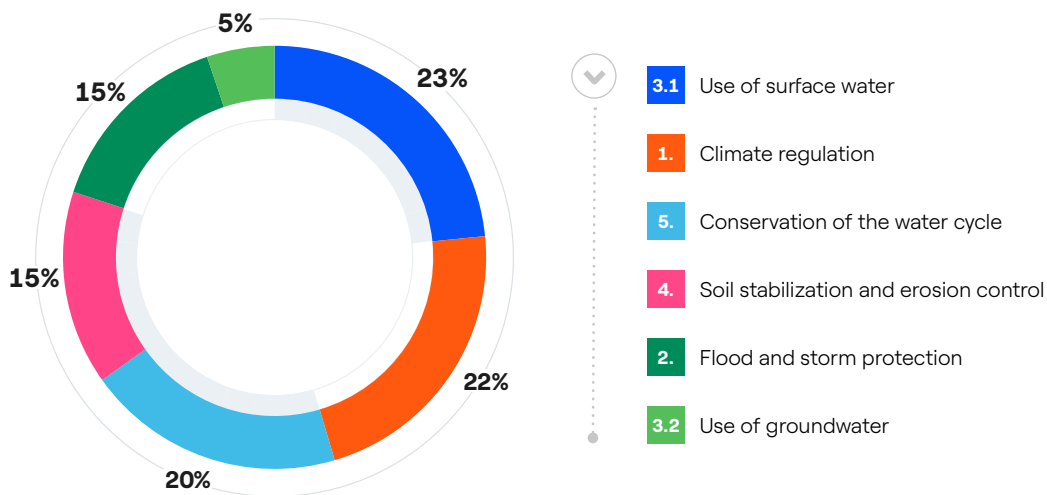
DEPENDENCIES BY TECHNOLOGY	HYDRO	SOLAR	WIND	GEOTHERMAL	COAL	OIL & GAS	NUCLEAR	GRIDS
1. Climate regulation	VM	VM	VM	●	NM	NM	NM	VM
2. Flood and storm protection	M	M	M	M	NM	NM	NM	VM
3.1 Use of surface water	VM	NM	●	M	VM	VM	VM	●
3.2 Use of groundwater	NM	●	●	VM	M	NM	M	●
4. Soil stabilization and erosion control	VM	M	M	NM	NM	NM	NM	M
5. Conservation of the water cycle	VM	●	●	M	M	M	M	●
6. Water resource quality	NM	●	●	NM	NM	NM	NM	●
7. Filtration of pollutants	NM	●	●	NM	NM	NM	NM	●

VM Very Material   
 M Material   
 NM Not Material   
 ● Not applicable

The overall analysis indicates that, considering only the dependencies which are material with respect to the different technologies, each weighed according to its share of production at Group level<sup>(8)</sup>, the main **dependencies** for the Company are associated with **availability of fresh surface water** and with **climate regulation**, which is also

linked to **conservation of the water cycle**. Enel's decarbonization strategy, which is focused on the phase-out of fossil fuels and the growth of renewables (wind, solar and batteries), reduces impact on the climate by helping to reduce pressure on the ecosystem services on which the Company depends, such as water resources.

### DEPENDENCIES ON ECOSYSTEM SERVICES PRIORITIZED BY MATERIALITY FOR THE DIFFERENT TECHNOLOGIES, WEIGHTED ACCORDING TO THEIR SHARE OF GENERATION



The analysis of dependencies also considered scenarios resulting from the predictable effects of ongoing climate change, with respect to each technology and each Country and Region in which the Group is present, in order to define specific adaptation and resilience plans. The occurrence of acute meteorological events and significant chronic phenomena, intensified and accelerated by on-

going climate change, can in fact alter the efficacy of the ecosystem services mentioned above, causing increasing effects on the integrity, operational continuity and correct functioning of the installations. For a more detailed description of the activity carried out and the results of these investigations, please refer to the chapter "Zero emissions ambition and just transition".

(8) Production data Y2022. Grids were given a conventional weighting, being the average of the values associated with the various generation technologies, also by virtue of its transversal function with respect to them.

## Analysis of environmental risks and opportunities

The analysis of environmental risks and opportunities associated with Enel's operating activities was conducted with a multifunctional integrated approach. The analysis, started in 2022 and continued in 2023 based on the results of the above-described materiality analysis for impacts and dependencies, led to the identification for each technology of the main operational and economic-financial risks expected for the Company, as well as social and environmental risks, and the identification of the main opportunities in relation to each relevant impact factor and dependency. This preliminary screening analysis led to the definition of an evaluation template for each technology, in which the main critical events of physical type (both acute in the short-medium term and chronic in the long term) and of transitional type (resulting from possible changes in the regulatory, technological, reputational or market framework) were identified with also the main associated risks and opportunities.

Below is a summary of the main **operational and economic-financial risks** identified as material for Enel in relation to the impact factors and dependencies specified above in line with TNFD recommendations:

- reduction or interruption of generation capacity;
- recovery and repair needs;
- authorization delays;
- adaptation and technological innovation needs;

- additional insurance fees;
- loss of competitiveness.

At the same time, this screening phase made it possible to identify the following **main opportunities**:

- improvement of environmental and sustainability performance, such as efficiency in the use of resources and initiatives for the protection, restoration and regeneration of natural habitats;
- business opportunities, linked for example to the offer of nature-positive energy products and services, the launch of new partnerships in sustainable innovation sectors, access to green financing, and strategic choices of commitment and sector leadership, aimed at the economic, reputational and financial growth of the Company.

The analysis of risks linked to the **potential impacts of the Group activities** on the environment reaffirmed the action priorities identified last year and described in the following table. The first column summarizes the impact significance for each category linked to the Group's activity; the second column indicates the level of control, expressed as the maturity of the commitments and targets adopted, and the last column indicates the consequent level of priority in the Group strategy, on a qualitative scale (low, moderate, high, very high).

IMPACT DRIVERS (OR PRESSURES)	IMPORTANCE	LEVEL OF CONTROL	PRIORITY
	• Magnitude • Probability	• Goals • Mitigation plans	
<b>Use of terrestrial ecosystems</b> • Land use • Habitat transformation and fragmentation	High	Moderate	High
<b>Use of natural resources</b> • Water withdrawal	High	High	Moderate
<b>Climate change</b> • Climate-changing gas emissions	Very high	Very high	Moderate
<b>Pollution</b> • Pollutant emissions (non-GHG) • Water and soil pollution • Waste production	High	High	Moderate
<b>Disturbance factors and other</b> • Noise and other • Invasive species	Low	Moderate	Low

The analysis highlighted a “high” and “very high” level of control for risks associated with the use of natural resources and with the potential release of pollutants in environmental matrices, as well as with the consequences of climate change. In fact, for years Enel has already been defining specific improvement targets that make it possible to mitigate the main risks associated with these impact factors in the future.

The **identified intervention priorities** therefore relate to the control of risk associated with **land occupation and the transformation of ecosystems**, and particularly to the use of land and the **transformation of terrestrial habitats**, in relation to which new commitments were made at Group level already last year (see the paragraph “Enel’s commitment to biodiversity”).

## Asset prioritization and IRO (Impact–Risk–Opportunity) analysis aggregated by technology

During 2023 the Group moved from a sector analysis to a site-specific analysis aimed at prioritizing **assets in operation** by means of an **IRO (Impacts–Risks–Opportunities)** analysis for the **different technologies<sup>(9)</sup>** in the **Group’s main countries** and therefore to the **identification of sites (hotspots)** on which to subsequently undertake local analysis of poten-

tial impact characteristics. The ranking of assets was carried out based on the estimated corresponding level of potential impact exerted, which was evaluated starting from the local natural conditions and the site-specific value of one or more impact indicators specific to the plant technology, in accordance with the SBTN indications shown in the figure.



The local **natural conditions** were evaluated starting from the biodiversity indicators already adopted by Enel (see the paragraph “Interaction of assets with biodiversity”) and, more specifically, based on the values of indicators (KPI) relating to the transformation of natural habitats and to the biodiversity significance (presence of protected area, threatened species or critical habitats) in each of the assets, or to their presence in water-stressed areas. The significance of **impact drivers** was instead estimated by adopting threshold values for the main impact KPIs of each technology, said KPIs having been chosen based on the corresponding materiality matrix. In addition to sites with significant impact KPIs, sites deemed relevant were also added in the selection, based on evidence emerging from records relating to the various “Operational analysis and monitoring tools” adopted by the Company, such as records of Environmental Events, records of ECoS (Extra Checking on Site) Improvement Actions, and records of environmental risk analyses in the ISO 14001 management systems.

This enabled the identification of **hotspots**, *i.e.*, sites or areas with operational plants or infrastructures that present the highest potential level of impact/risk, due to the simultaneous occurrence of the established natural and impact conditions of significance. During 2024, these hotspots will

be subject to a subsequent in-depth investigation undertaken according to the LEAP (Locate, Evaluate, Assess, Prepare disclosure) methodology defined by the TNFD, to take into account the specific local context and the interaction of each technological asset with the local natural and biodiversity characteristics, as envisaged for the priority application of the IRO (Impacts–Risks–Opportunities) analysis to complex organizations.

During 2023, based on the asset profiling data described above, a **preliminary impact/risk assessment was also carried out at corporate level**. To this end, an internal methodology was developed that refers to the aggregate values of land occupied by the plants (in ha) of each technology in correspondence with the different levels of potential impact, evaluated based on the concomitant significance of one or more of the previous KPIs relating to natural and impact conditions. Based on the methodology adopted, an estimate of the inherent risk (IR) and the level of control exercised by the organization (C) was then carried out, thus arriving at the final assessment of residual risk (RR)<sup>(10)</sup>. In this preliminary phase of analysis at a qualitative level, a criterion of correspondence (1:1) between potential environmental impact and economic-financial risk for the organization was adopted.

(9) At the time it was not considered a priority to extend this phase of investigation to coal and nuclear technologies. Operational plants that adopt either of these technologies are subject to stringent impact assessment and environmental management requirements and controls by control bodies and competent authorities. In line with the Group’s strategies, a progressive closure or reconversion plan is also envisaged for these plants.

(10) The following residual risk calculation formula is adopted:  $RR = IR \times (1 - C)$ , in which the inherent risk (IR) represents the potential risk in the absence of management control and prevention actions (C) already implemented by the organization in order to mitigate the risk to residual risk (RR) values deemed acceptable. The following risk judgment scale is applied: <2 Low, <3 Tolerable; <4 Needs improvement; <5 Significant; 5 = High, requiring the adoption of intervention actions for a RR value  $\geq 3$ .



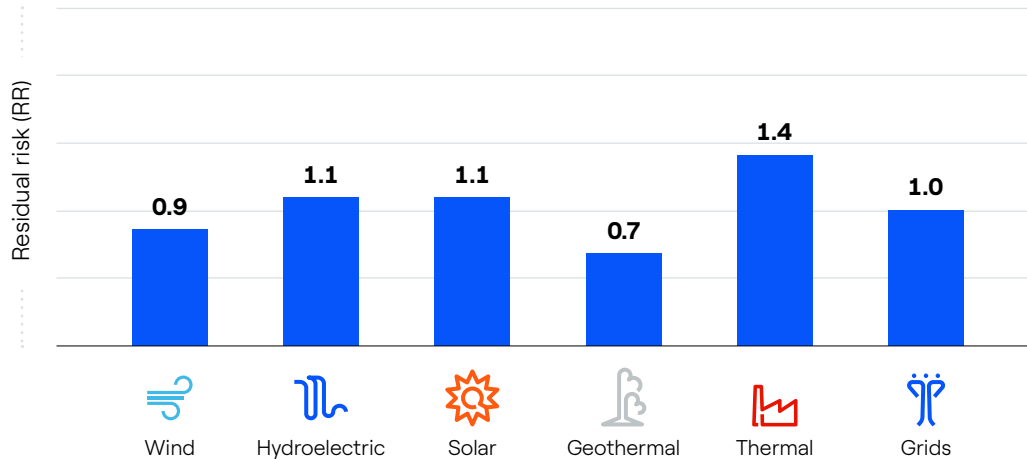
The main results emerging from the preliminary investigations conducted are summarized below:

- the **hotspot sites** represent a **very small area (<5%) out of the total area occupied by operational sites** in the

“core” countries where the Group is present and the **residual risk value therein is always “tolerable” (RR<3)**;

- the **aggregated (weighed averages) residual risk values** for the different technologies **are always “low” (RR<2)**.

## RESIDUAL RISK (RR) BY TECHNOLOGY



## Preliminary investigations on the supply chain

The analysis of the impacts on nature linked to the supply chain was started in 2023 beginning with an evaluation of the Group’s investment plan, identifying corresponding needs in terms of plant components, equipment and products necessary for their implementation. Starting from this data, the constituent **raw materials** were then determined (unprocessed and as processed/incorporated) along with their consumption. Through the use of public tools and databases<sup>(11)</sup>, the analysis then focused on the impacts linked to the life cycle phases (LCA – Life Cycle Assessment) of extraction and refinement of the main raw materials identified, phases which are recognized by SBTN guidelines as

having the most significant potential impacts on nature. At the same time, an investigation was carried out on the relevant countries of origin of raw materials at global level, focusing on countries environmental performance (through indicators regarding protection of biodiversity and water resources, air quality, waste treatment, etc.) and on the average recovery rates of materials in production processes. A preliminary qualitative assessment was then carried out on the impacts on nature linked to the main raw materials in the supply chain, which are potentially critical for the organization from an environmental viewpoint, based on the following (qualitative) formula:



The preliminary investigation conducted in 2023 will be updated in 2024 based on the new Industrial Plan and further revised and integrated based on specific information that will derive from the direct analysis of Enel’s main supply chains and associated product environmental certifi-

cates (EPD – Environmental Product Declaration), with the aim of building a qualitative-quantitative impact matrix that progressively integrates direct data with the public sector data used as the basis for the analysis.

(11) Ref. “Environmental Performance Index” (<https://epi.yale.edu/about-epi>) and LCA analysis using ecoinvent 3 (<https://ecoinvent.org/>).

## Operational analysis and monitoring tools

From an operational point of view, in order to identify and minimize environmental risks related to its activities, Enel has equipped itself at Group level with a series of important tools for guidance, investigation and intervention with respect to both the environment and the socio-economic context in order to support the protection of the environment and associated ecosystems in a capillary and synergistic way within the organization.

**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 areas (ecosystems and protected areas), in addition to their negative impact on the organization itself (operational, legal, reputational and financial). In accordance with their classification and magnitude of such accidents, the policy defines communication procedures, the creation of analysis groups with the participation of the Global Functions, cause analysis, and monitoring of subsequent corrective actions and improvements.

**Policy for assessing risks and opportunities related to environmental impacts.** The policy, which is compliant with ISO 14001:2015 EMS requirements, applies to all operational sites (including those in the process of being decommissioned) and to the Group's staff functions, and provides for the adoption of a single model for the classification and assessment of risks and opportunities linked to impact factors (or pressures) exerted on the environment, through the use of an IT tool called ERA (Environmental Risk Analysis). The analysis process involves evaluating both the interactions of significant operational aspects with various environmental matrices, and mitigation controls adopted for adherence to compliance regulations, as well as voluntary continuous improvement targets; furthermore, taking into account the results of the analysis of any accidental environmental events and periodic environmental visits to the various sites (Extra Checking on Site – ECoS), it allows a high level of integration of continuous control processes between the various levels of the organization and the related prioritization of improvement actions.

**Extra Checking on Site (ECoS) Policy.** The ECoS is a tool for planning and conducting site visits carried out by cross-divisional teams of experts at the Group's plants and operational facilities, with a view to defining improvement plans and/or sharing best practices. In 2023, the different Business Lines across all the countries in which the Group

operates conducted 89 ECoS with a focus on the environment, far exceeding the defined target (72 ECoS). In the 2024–2026 plan, a minimum target of 50 ECoS per year was proposed due to the deconsolidation of activities in some countries. Also see the chapter “Health and safety of people”.

**Environmental qualifications and inspections for suppliers of products and services.** Enel has adopted a supplier environmental assessment procedure that is structured and homogeneous for the entire Group. The procedure is activated in the qualification phase, for high environmental risk activities, and following important environmental events. Environmental assessments are aimed at verifying the EMS of suppliers as a whole and propose improvement actions to be shared with the supplier. They are also accompanied by environmental inspections conducted at the suppliers' operating sites and which include, where relevant, assessments on specific aspects of biodiversity. In order to standardize inspection standards and obtain a structured and widespread control system, Enel has adopted Group Guidelines on Environmental Inspections, which define the planning criteria as well as methods of execution in the field (see the chapter “Sustainable supply chain”).

**Consequence Management Procedure.** At Group level, Enel has adopted an organizational procedure that defines roles and responsibilities in order to implement *Consequence Management*, as well as actions against its contractors in the event of their involvement in significant environmental events and/or due to low performance on specific environmental issues encountered during performance of the contract.

**Stop Work and Emergency Management Policy.** At Group level, Enel adopts a policy that allows the risk of environmental impacts to be prevented or minimized, by authorizing all workers to stop activities if there is a potential environmental risk. Furthermore, the Company adopts emergency management plans at global and local level that comply extremely rigorously with the legal requirements and obligations established in the various countries.

Finally, it should be noted that, as part of the analysis of the local context, and forming the basis for the community relations model, an assessment of the main social and environmental risks and opportunities is carried out in order to minimize them and promote socio-economic development. See the chapter on “Engaging communities”.

# Preserving biodiversity

| 3-3 | 304-1 | 304-4 |

## Enel's commitment to biodiversity

Protection of biodiversity is one of the strategic objectives of Enel's environmental policy and is regulated by a specific policy. The policy, adopted in 2015 and updated in 2023 by the Board of Directors, defines the guidelines for all the Group's biodiversity protection initiatives and the principles according to which they operate, aligned with the Kunming-Montreal Global Biodiversity Framework (COP 15).



### BIODIVERSITY POLICY

Enel's roadmap on biodiversity conservation is in line with the Kunming-Montreal global biodiversity framework, embracing the mission of taking action to halt and reverse biodiversity loss by 2030.

In particular, our Company is committed to:

- applying the **mitigation hierarchy principle** in all project phases, avoiding and reducing impacts on high biodiversity areas and ecosystem functions and services, reducing deforestation and habitat transformation; where avoidance is not possible, we strive to minimize adverse impacts, implement rehabilitation and restoration measures and finally, compensating for residual impacts;
- implementing, in the case of biodiversity significant residual impacts for new development projects, compensatory works according to the commitment of "No Net Loss" of biodiversity and "No Net Deforestation", and where applicable to have a Net Positive balance;
- assessing and transparently disclosing impacts,

dependencies, risks and opportunities on biodiversity along operations, supply and value chains, setting goals and targets on priority issues;

- promoting biodiversity and nature-based solutions integration into business solutions for customers and urban ecosystem, boosting related environmental and social positive impacts;
- collaborating with public administrations, research centers, environmental and social associations and international stakeholders, as partners in the conservation, restoration and sustainable use of resources, fostering new innovative and systemic approaches and synergies while respecting the rights of indigenous peoples and local communities;
- monitoring and reporting progress towards the achievement of local and global goals and targets in alignment to main international standards and in a transparent and responsible approach, for accounting performances on biodiversity and natural capital management;
- promoting environmental awareness towards workers and stakeholders, to valorize biodiversity conservation and responsible use of natural resources.

In its Sustainability Plan published in the 2022 Sustainability Report, Enel has set out its commitment to Biodiversity, setting itself clear targets up to 2025 and 2030.

## Enel's commitment

Enel undertakes to achieve **No Net Loss of biodiversity** for new infrastructures by 2030, commencing its adoption on selected projects in areas of high biodiversity importance beginning 2025. To achieve this goal, Enel will work in accordance with the principles of the Mitigation Hierarchy to avoid, minimize and reverse impacts on natural habitats or species that are threatened, endemic or restricted in range.

In addition, Enel is committed to conserving forests and, if deforestation cannot be avoided, will reforest areas of equivalent value in line with the principle of **"No Net Deforestation"**.

Enel will not build new-generation infrastructures in areas designated as UNESCO World Heritage Natural Sites.

To implement its commitment, Enel has developed a methodology, with the technical and specialist support of a leading consultancy company, for the site-specific adoption of the 'No Net Loss' (NNL) principle on biodiversity. During 2023, the methodology was tested on renewable power generation plants, both those in the design phase and those in operation, which enabled the metrics for assessing impacts and possible compensation to be fine-tuned. As regards grids, the methodology has been

applied to some existing lines and testing is underway on the design phase of a new medium voltage overhead line in an area of particular natural interest, the authorization process for which is underway.

This methodology, which is being implemented in the operational processes of the Business Lines, will be progressively applied – depending on the type of habitat – to projects in the renewables and networks development pipeline between 2025 and 2030.

## No Net Loss: first results of the implementation

**Guayepo III project:** the 200 MW solar plant will be built in the Caribbean region of northern Colombia (Municipalities of Sabanalarga and Ponedera – Atlántico Department), and will cover an area of approximately 500 ha, of which just over 100 ha are in natural areas. The absence of interference with critical habitats will be guaranteed, in full compliance with standards, through on-site monitoring to exclude the possibility of impacts on priority animal species identified within the Biodiversity Action Plan (BAP), such as the Río Cesar white-fronted capuchin (*Cebus cesareae*). Unavoidable impacts on natural habitats will be more than compensated through actions already indicated in the Environmental Impact Assessment presented to the Ministry of Environment and Sustainable Development in 2022, which envisages the restoration of 557 ha of natural and semi-natural areas within the tropical dry forest ecosystem. This area **is more than double what was**



**calculated by applying the quantitative No Net Loss methodology** developed by Enel. The project will therefore have a **Net Positive impact**. Numerous compensatory actions are included in the project, based on an active restoration and rehabilitation approach, including: expanding existing vegetative areas, soil restoration, installing perches and construction of shelters and dens, and planting native herbaceous, shrub and tree species associated with water bodies, as well as other actions for the sustainable use of natural resources.

## Interaction of assets with biodiversity

Enel measures its environmental performance on aspects of biodiversity in a transparent and responsible way, both in the construction of new plants and during the operation of its sites. For this reason, in 2021 the Company defined a set of specific indicators, which are updated annually, to

measure the impacts generated and monitor the effectiveness of action plans.

**Land occupation:** the area of land occupied by assets. This is a general indicator, as it does not provide an indication of the characteristics of the soil habitat.

### Land occupation – Power Generation Assets

During 2023, important work was carried out to map the sites, strengthening the criteria and representation on the Geographic Information System (GIS), which led to the re-

vision of land occupation data for power generation assets, particularly for wind and hydroelectric assets.

#### Land occupation (Hectares - ha) – Power generation assets and technology

Technology	2023	2022 <sup>(12)</sup>	2023-2022
Solar	33,403	29,899	3,504
Wind	11,768	11,408	360
Hydroelectric	202,446	202,446	-
Geothermal	442	442	-
Thermal	6,098	6,318	220 <sup>(13)</sup>
<b>Total</b>	<b>254,157</b>	<b>250,513</b>	<b>3,644</b>

#### Land occupation (Hectares - ha) – Power generation assets and country

Country	2023	2022	2023-2022
Italy	20,154	20,147	7
Spain	26,846	25,361	1,485
Latin America <sup>(14)</sup>	191,769	189,424	2,345
Rest of the world <sup>(15)</sup>	15,388	15,581	193
<b>Total</b>	<b>254,157</b>	<b>250,513</b>	<b>3,644</b>

During 2023, the land occupation of renewable power generation assets increased compared with 2022 by **3,864 ha**, of which **3,504 ha (91%)** related to the construction of new photovoltaic plants, and the remaining

**360 ha (9%)** to wind farms. For thermoelectric power, the decrease in physical land occupation compared with 2022 of **220 ha (-3.5%)** is due to the sale and disposal of some plants.

(12) Land occupation relating to plants was updated by reviewing the boundary delimitation of the assets.

(13) The reduction in physical occupation of thermoelectric plants is due to the decommissioning of some plants during 2023.

(14) Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Mexico, Panama and Peru. All assets operating in 2023 are included, including those that left the Company's portfolio during the year.

(15) Australia, Canada, Greece, India, Morocco, Portugal, Romania, South Africa, USA and Zambia. All assets operating in 2023 are included, including those that left the Company's portfolio during the year.

## Land occupation – Grid Assets

The data on land occupation<sup>(16)</sup> of the distribution infrastructure is calculated for High Voltage (HV) and Medium

Voltage (MV) lines, and for primary and secondary transformer substations.

### Land occupation – Grid assets and technology

Technology	Hectares (ha) <sup>(17)</sup>	km
Primary and secondary substations	2,089	-
High Voltage Lines	52,053	32,232
Medium Voltage Lines	434,748	659,270
<b>Total</b>	<b>488,890</b>	<b>691,502</b>

### Land occupation – Grid assets and country

Country	Hectares (ha)	km
Italy	287,679	350,755
Spain	98,755	132,506
Latin America <sup>(18)</sup>	102,456	208,241
<b>Total</b>	<b>488,890</b>	<b>691,502</b>

**Transformation of natural habitats:** measures the area of land occupied in hectares (ha), classified according to the IUCN<sup>(19)</sup> habitat categories on which the new assets were built in the reporting year. It therefore represents a specific indicator of the impact on habitats that have been transformed to build plants.

Power generation plants that entered operation in 2023 occupy 3,864 ha of land, of which **2,113 ha (55%)** relate to **habitats that have already been modified** and the remaining **1,751 ha (45%)** to **natural habitats**. In **2022** the overall land occupation relating to new plants was 11,807 ha, of which **5,770 ha** was in **natural habitat**, amounting to **49%** of the total. This reduction, in absolute and relative value, is in line with the **mitigation hierarchy** principle adopted by Enel, which involves analyzing the impacts on nature of the site during its development phase, avoiding, where possible, the selection of sites in natural habitats, and instead

favoring modified habitats. Of the natural habitats impacted, only **183 ha** were **forest habitat**.

As far as the distribution network is concerned, almost all HV and MV lines were built in the 1970s, mainly in urbanized areas. Around 70% of the infrastructures built to date are situated in cultivated areas, grazing land and urban areas; only the remaining 30% of the infrastructures have impacted natural-type habitats, of which only 9% are forest-type habitats.

**Presence of assets in protected areas (GRI 304-1):** mapping was carried out for all power generation assets within Enel's entire portfolio, and for the second year also for grid assets, in the main countries<sup>(20)</sup>, to assess the presence of assets in UNESCO World Heritage Natural areas and IUCN I-IV classified protected areas.

### Presence of power generation plants – by technology<sup>(21)</sup>

Technology	total no. of infrastructures	no. of infrastructures in protected areas	Presence in protected areas (ha)	Presence in protected areas as % of the total occupied by technology
Solar	190	4	32	0.10
Wind	292	9	119	1.01
Hydroelectric plants	601 <sup>(22)</sup>	90	5,611	2.77
Geothermal plants	40	-	-	-
Thermoelectric plants	84	5	34	0.55
<b>Total</b>	<b>1,207</b>	<b>108</b>	<b>5,796</b>	<b>2.28</b>

(16) Land occupation relating to assets is in the process of being updated.

(17) For grids assets, land occupation is calculated using PUC (Portale Unico Cartografico – Single Cartographic Portal) for primary and secondary substations it is reported as the surface area occupation (variable depending on the technology), whereas for MV and HV lines it is calculated as the geometric projection on the ground of their length for the width of the corresponding buffer zone, which varies depending on the technology.

(18) Chile, Peru, Colombia and Brazil.

(19) IUCN – International Union for Conservation of Nature (<https://www.iucnredlist.org/resources/habitat-classificationscheme>).

(20) Italy, Spain, Chile MV, Peru, Colombia and Brazil.

(21) The data reported on GIS has been revised and optimized, leading to adjustments in the value of hectares (ha) and the number of plants compared with last year.

(22) The number of hydroelectric plants, with related hydroelectric basins and auxiliary systems, is declared.

## Presence of power generation plants – by country

Country	Hectares (ha)	% in protected areas out of the total occupied in the country
Italy	3,799	18.85
Spain	1,950	7.26
Rest of the world	32	6.12
Chile	15	0.03
<b>Total</b>	<b>5,796</b>	<b>2.28</b>

The number of power generation plants situated within protected areas (IUCN I-IV) **remains unchanged since 2013**, as no new plants have been built in these areas. The presence of power generation assets in protected areas mainly concerns hydroelectric plants that were predominantly built in the 1970s or earlier (in many cases before the creation of protected areas), both in Europe and in Chile, and are managed according to basin management plans shared with local authorities. Projects relating to

these plants notably include the ENDESA-bats multi-year project for the study and monitoring of bats, which has been developed voluntarily in the autonomous provinces of Catalonia, Galicia, Andalusia and Aragon, and the project carried out in the area of the Hautes Pyrénées Natural Park, in conjunction with the Brown Bear Foundation (FOP), aimed at restoring habitats by planting small flora species to provide food for brown bears and their cubs.

## Presence of distribution infrastructures – by technology

Technology	Hectares in protected areas (ha)	% in protected areas out of the total <sup>(23)</sup> occupied by the asset
Primary and secondary substations	22	1.1%
High and medium voltage lines	14,179	2.9%
<b>Total</b>	<b>14,201</b>	<b>2.9%</b>

The countries in the Enel Grids portfolio with the highest proportion of assets present in protected areas are Spain, Italy and Brazil. In cases where the infrastructure falls within a protected area, Enel creates the best solutions to miti-

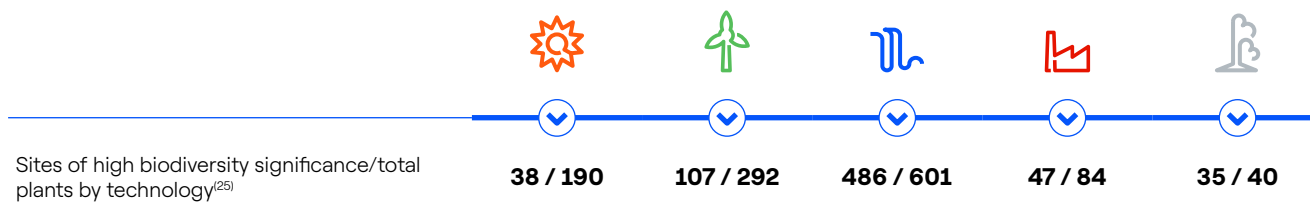
gate impact on the surrounding environment, also considering the need to comply with its service obligation. Below are some examples of mitigation projects currently under way for infrastructure that falls within protected areas.

TECHNOLOGY	SITE	LAND OCCUPATION (HA) IN PROTECTED AREAS	TARGET SPECIES AND CONCERNED PROTECTED AREA	HABITAT	BIODIVERSITY PROJECTS
Relocation of existing HV line	Colombia - Zipaquirá-Ubaté Line	6.7	Birds: <i>Anisognathus igniventris</i> , <i>Eriocnemis vestita</i> ; Protected area: Distrito de Manejo Integrado Páramo de Guargua y Laguna Verde	Forest	Installation of flight diverters in humid areas and natural habitats as a result of a monitoring study on local bird species. In-depth focus follows
New MV line	Spain - Arties Lag	1	Birds: <i>Tetrao urogallus</i> Aigüestortes National Park	Forest	Installation of collision avoidance devices using drones, and monitoring campaign

(23) Out of the total of HV and MV lines in Italy, Spain, Chile MV, Peru, Colombia and Brazil.

**Biodiversity Significance<sup>(24)</sup>**: this qualitative indicator makes it possible to classify power plants based on the importance of the area in which they are built, and is based on the value of biodiversity potentially present in the vicinity of said area (high/medium/low). The methodology therefore makes it possible to identify priority sites for the protection of biodiversity in order to ensure proper man-

agement to mitigate potential impacts. Also in this case, it should be noted that most sites of high significance relate to hydroelectric plants, which are generally infrastructures built in mountain areas and present in the locality for many years and in many cases before the creation of protected areas, the classification of critical habitat or the identification of threatened animal species.



In 2023, **only one power plant<sup>(26)</sup> was built in areas with high biodiversity value, 3 fewer** than in 2022. Although an initial analysis, based on literature data, suggested the potential occurrence of threatened species, monitoring campaigns carried out during the environmental impact assessment did not confirm their presence on the ground. For this reason, validation of the categorization of sites as high, medium or low significance should be reviewed against the results of site environmental and social impact assessments, BAPs or other site management plans to confirm the biodiversity significance score.

**Presence of endangered species near plants/assets (GRI 304-4)**: knowledge of the potential presence of endangered species in the proximity of assets is important in order to evaluate actions aimed at reducing the risk of interference by Enel assets. This type of mapping is carried out for all infrastructures for which biodiversity projects are developed that relate to flora and fauna species mapped in the IUCN Red List. The summary of this mapping is presented in the following infographic table of biodiversity projects.

(24) To identify areas of high biodiversity importance, the following general criteria are considered: 1) Protected areas (UNESCO World Heritage Natural Sites and IUCN I-IV); 2) Critical habitats as defined by IFC Performance Standard 6; 3) Presence of protected species, according to the methodology developed and adapted by UNEP-WCMC, Conservation International and Fauna & Flora International ("Biodiversity indicators for site-based impacts", 2020).  
 (25) The number of plants in areas of high biodiversity importance has been modified following the updating of thematic maps and the refinement of calculation methodologies (e.g., for hydroelectric plants, plant auxiliaries have been merged with the generation island and related basins).  
 (26) "Baco" photovoltaic system built in Central America (Panama) found to be in an area of high biodiversity value due to the potential presence of protected species, according to literature data.



- Critically Endangered (CR)
- Endangered (EN)
- Vulnerable (VU)
- Near Threatened (NT)
- Least Concern (LC)

Country	No. of projects	PROJECT TYPE							NO. OF SPECIES ON THE IUCN RED LIST						
		Mandatory	Voluntary	of which VOLUNTARY	Conservation (species)	Monitoring	Restoration (habitats)	Research and other purposes	Group	CR	EN	VU	NT	LC	Total
Argentina	1	1	-	0%	-	-	-	1	Flora	-	-	-	-	-	-
Brazil	45	36	9	20%	10	22	12	1	Birds; Bats; Terrestrial fauna and Flora	1	13	33	26	292	365
Chile	18	7	11	61%	2	8	3	5	Terrestrial fauna and flora	-	-	1	2	46	49
Colombia	20	12	8	40%	9	7	2	2	Birds; Bats; Terrestrial fauna and flora	-	2	3	4	85	94
Guatemala	5	4	1	20%	-	5	-	-	Terrestrial fauna	2	2	14	12	-	30
Iberia	45	13	32	71%	28	3	6	8	Birds; Bats; Terrestrial fauna and flora	-	2	10	8	27	47
Italy	23	7	16	70%	17	3	3	-	Birds; Bats; Terrestrial fauna; Plants; Fish	2	14	14	-	15	45
Mexico	6	5	1	17%	-	6	-	-	Birds; Bats; Terrestrial fauna and flora	-	-	3	2	77	82
Panama	1	-	1	100%	-	1	-	-	Flora	-	-	-	-	-	-
Peru	5	3	2	40%	-	5	-	-	Birds; Bats; Terrestrial fauna	-	-	-	-	24	24
Rest of the world	14	5	9	64%	5	6	3	-	Flora; Bats; Birds	-	5	3	2	59	69
<b>Total</b>	<b>183</b>	<b>93</b>	<b>90</b>	<b>49%</b>	<b>71</b>	<b>66</b>	<b>29</b>	<b>17</b>		<b>5</b>	<b>38</b>	<b>81</b>	<b>56</b>	<b>625</b>	<b>805</b>

**Assessment of ecosystem services:** among the approaches that have been developed for some years in the scientific community to fully describe the contribution provided by biodiversity and nature, one relates to the optimization of ecosystem services. In this area, Enel continues to de-

velop studies to verify how this approach facilitates better environmental management of its infrastructures in order to maximize the benefits for the environment and for local communities.

## The biodiversity action plan

In 2023, **183 projects** were carried out to protect species and natural habitats at **operational plants**, of which 57 were developed in partnership with government agencies and non-governmental organizations and universities, for a total investment of **10.8 million euros**. The projects were carried out in all Countries and Regions and mainly concern operational renewables plants and distribution networks. The projects included **habitat recovery activities covering 8,343 ha**, most of which are related to ecological restoration and reforestation, mainly in Brazil, Chile, Colombia, Italy and Spain.

In addition, in 2023 a further **60 projects** relating to plant construction sites were carried out, mainly in Brazil, Chile, Colombia, Italy and Spain, targeted at the conservation and

### Measures taken to reduce impacts

Enel has consolidated experience in managing and protecting biodiversity near its production sites starting from the site design and construction phases; particularly in the past few years, activity has focused on managing impacts near to renewable plants and distribution networks, in line with the Group's decarbonization strategy.

The Group's internal Biodiversity Guidelines define the principles and procedures for managing impacts on biodiversity during the entire life cycle of plants, from the development phase to operation and decommissioning, through the application of the **Mitigation Hierarchy** in the various phases of the life cycle. For the Group's plants and installations that have been present in the local area for a long time, environmental protection and monitoring action plans are also adopted.

For the development of new infrastructures, the risk to biodiversity is assessed in an integrated manner right from the **feasibility** phase, starting with the selection of the site of interest, which involves an assessment of the type of habitat, prioritizing habitats that do not present environmental criticalities, and considering geographical proximity to protected areas, habitats that are critical or important for biodiversity, as well as the potential presence of endangered species in the area of interest. To support the definition of local action plans for the mitigation of any risk identified, Enel adopts a consolidated process of stakeholder engagement, which involves continuous dialogue in synergy with all stakeholders – local communities, competent authorities and research institutes – with a view to supporting increasingly sustainable business for the economy, nature and people.

In the **construction** of new plants, specific action plans are also adopted to check the effectiveness of the actions undertaken and the occurrence of any potential impacts, including at a later stage after the works have started. For some

183

**PROJECTS FOR THE PROTECTION OF SPECIES AND NATURAL HABITATS IN OPERATIONAL SITES**

8,343 ha

**AREA COVERED BY NATURAL HABITAT RESTORATION PROJECTS** (related to projects carried out in 2023)

monitoring of native species impacted, amounting to an overall capital expenditure of **9 million euros**.

Examples of measures to mitigate impacts on biodiversity, by way of implementation of the relevant policy, are available in the sustainability section of the [www.enel.com](https://www.enel.com) website at the following link: <https://www.enel.com/investors/sustainability/strategy-sustainable-progress/biodiversity>.

plants, the development of mitigation plans together with local stakeholders is also envisaged, including reforestation. Once the infrastructure is **commissioned**, protection of biodiversity becomes an integral part of environmental management, through periodical monitoring for the checking of impacts highlighted in the authorization phase, as well as the continuous assessment of potential impacts that could occur later. This is also the moment where the plant consolidates its relationship with the local area and where initiatives are developed, such as voluntary projects to safeguard local species and improve habitat conditions, based on knowledge of the environment surrounding the site. The results of monitoring at the local level are communicated and analyzed at global level by means of internal tools, allowing the identification of general issues that need to be addressed with improvement plans or projects at Group level.

The main impacts on biodiversity during operations linked to technologies are:

- **wind plants:** impacts related to collision with birds and bats. Among the various initiatives aimed at reducing interference, a project has been developed in synergy with the Group's Innovation unit to monitor and assess the performance of detection and deterrent systems available on the market, in order to evaluate their implementation both in already operational plants and in new projects under development;
- **hydroelectric plants:** interference with fish and soil erosion. Among the initiatives, fish repopulation actions for ecosystem and species recovery are highlighted, such as the restoration or improvement of fry reproduction or growth areas. Furthermore, to control soil stability and improve habitat conditions, native species have been planted directly in the reservoir or near to its banks, in addition to the implementation of programs

to monitor erosion and degradation of the banks;

- **solar plants:** impacts related to the occupation and possible transformation of habitats. To mitigate their impact, interventions are planned to improve habitat conditions for the benefit of species present in the affected site. Also important to note is the increasing development of agrivoltaic plants, which provide spaces between the rows of photovoltaic modules for planting aromatic and medicinal herbs, food crops and nectar flowers that promote the establishment of pollinator species;
- **distribution networks:** risk of collision and electrocution of birds with overhead lines. In this regard, starting from the design phase to the operation and maintenance

of existing sites, and according to the biodiversity aspects associated with the site, Enel adopts mitigation measures including the installation of collision avoidance devices at regular intervals along overhead power lines, as well as the isolation of live parts. To reduce the fragmentation of forest habitats caused by distribution networks, and mitigate their impact on fauna, interventions involving the installation of pathways for arboreal fauna have also been created, such as for example, aerial crossings for monkeys in Brazil (São Paulo). Additionally, actions are taken to mitigate the impacts during the construction phase, including the relocation of terrestrial flora and fauna to protected areas.



## INSTALLATION OF COLLISION AVOIDANCE DEVICES COLOMBIA



The main objective of the project, developed as part of Modernization works on the two high voltage lines of Muña-Sauces and Zipaquirá-Ubaté in Colombia (Cundinamarca region), is to **reduce the impacts deriving from birds colliding with power lines.**

In particular, a total of approximately **240 collision avoidance devices** were installed with an average spacing of 15 meters and located in natural habitats, sites of naturalistic interest and wetlands.

The sections of line to be fitted with collision avoidance devices were identified by field monitoring based on direct sightings, indirect observation in the habitats surrounding the lines, identification of species based on birdsong, and nest searches. The monitoring carried out in the case of the Muña-Sauces site led to the identification of **more than 140 bird species** that were potentially impacted by collision with power lines, and almost 1,400 individuals detected using the transect or net capture method. In the case of the Zipaquirá-Ubaté site, **more than 50 bird species** were identified.



### CONSERVATION OF BIRD SPECIES

**> 140**

**BIRD SPECIES IDENTIFIED**

**around 240**

**COLLISION AVOIDANCE DEVICES  
INSTALLED**





## PROYECTO UROGALLO SPAIN



In recent years, populations of **capercaillie** (*Tetrao urogallus*, Urogallo in Spanish), a large bird linked to forest habitats, where it settles and nests, have suffered a sharp decline in many European countries. This decline has also occurred in Spain, specifically the regions of Catalonia and, more precisely, the central Pyrenees (2000–2016, *Estudio Declive poblacional del Urogallo en los Pirineos Centrales - Fundación para la Conservación del Quebrantahuesos y Universidad de Valencia*). The Pyrenean subspecies (*Tetrao urogallus aquitanicus*) is listed in the **“Vulnerable”** category of the Spanish catalogue of **species threatened with extinction** due to its sharp population decline over the last two decades. The **risk of collision with overhead power lines** is one of the main threats that are causing a reduction in the population, in addition to pressures linked

to unsustainable forest management, an excessive increase in medium-sized predators and wild herbivores (deer and fallow deer), and high tourist footfall in forest areas.

It is within this context that the **“Project for capercaillie conservation in the Pyrenees”** was launched, involving a partnership between **Edistribución**, Paisatges Vius (an NGO) and the **Department of Biodiversity of Catalonia**. In particular, the involvement of Edistribución resulted in the identification of the main sections of critical MV lines within the Alt Pirineu Natural Park, and the subsequent installation, using drones, of **collision avoidance warning lights**. Edistribución is also involved in **awareness-raising actions** to protect the species, by **monitoring and communicating** the main results achieved by the project.



## SAFEGUARDING AND TRANSFER OF EPIPHYTIC SPECIES COLOMBIA



This project in Colombia, implemented as part of the reconstruction of the existing Zipaquirá-Ubaté transmission line, is a specific example of how environmental protection is being applied in areas with potentially high biodiversity value. In particular, 27 plant specimens (epiphytes) subject to direct impact from construction sites have been safeguarded, with the aim of **reducing impacts on plant species of conservation interest**.

Of the 27 specimens safeguarded, 20 belong to the *orchidaceae* family and 7 to the *bromeliaceae* family. Specifically, the action involved **mapping specimens and subsequently relocating them to favorable areas** that are similar to the species' original environment. Furthermore, periodic **monitoring and maintenance activities are planned for the three years following the relocation**, to improve the survival rate of the species.



## INSTALLATION OF ARTIFICIAL NESTS FOR MARKHAM'S STORM PETREL CHILE



In 2021 Enel Chile launched an important biodiversity project in the **Atacama desert** to install artificial nests for Markham's storm petrels, an endangered species according to national legislation and listed as threatened in the IUCN Red List.

Markham's storm petrel (*Hydrobates markhami*) is a small bird that inhabits the open ocean for most of its life. It is a long-lived species, sensitive to climate alterations during the reproduction and conservation of its eggs, of which it lays only one per season. Four species breed in northern Chile, between the regions of Arica and Parinacota and northern Coquimbo. In recent years, the increase in the development of mining and energy projects in breeding sites has posed an increasing threat to the conservation of this

species, sometimes causing the destruction of its nesting habitat. Enel, in collaboration with the **Chilean network of bird and wildlife observatories (ROC)**, has developed a project dedicated to creating artificial nests to promote the reproduction of the species; furthermore, in 2022 the Company completed a **study on the reproduction of Markham's storm petrels** in the Atacama desert and analyzed international experiences on the use of artificial nests for the birds' reproduction. Subsequently, during 2023, **nests were created and installed**, measures (acoustic and olfactory) were implemented to attract specimens and **monitoring campaigns** were carried out, during which footprints of Markham's storm petrels were found near to three artificial nests.



## CONSERVATION AND REPOPULATION OF MARBLE TROUT IN BERGAMO WATERS ITALY



Enel is also committed to ensuring **river connectivity** in order to protect the species. There are many **repopulation projects** developed in aquatic ecosystems. In particular, a project was launched in Italy during 2023, aimed at conserving marble trout in the Brembo river, which is affected by hydroelectric power generation at Enel Produzione Italia plants.

The project involves **monitoring campaigns** on the species with a view to selecting specimens for the artificial reproduction phase, which starts with incubation and proceeds to egg hatching, rearing and growing the fry in tanks and finally releasing the adult fish into the Serio river basin.

## Biodiversity opportunities

### Integration of nature-based solutions into Enel X Global Retail

During 2023 Enel X Global Retail worked to promote an **integrated approach wherein the services and products in its commercial offering are combined with Nature Based Solutions (NBS)**, namely the set of techniques and design approaches that use nature and the processes inspired by it to provide integrated services aimed at increasing the resilience of the city and territory to climate change, mitigating the microclimate, air quality and generally improving quality of life. This opportunity interests both industrial customers and public administrations, and therefore involves both urban and extra-urban spaces, based on a philosophy of approaching sustainable development challenges inspired and supported by nature.

In order to promote NBS, Enel X Global Retail has developed **the Enel X NBS Biodiversity Handbook** and **the Enel X Urban Biodiversity Scoring Model**, which respectively make it possible to identify NBS solutions that can be associated with the different business solutions of Enel X Global Retail and then to evaluate the positive impacts generated across the three dimensions of climate, natural resources and human experience.

The model created enables the evaluation and promotion of the integration of nature-based solutions in both B2B and B2G projects. Additionally, it aims to assist customers in evaluating their nature-related performance, guiding them in the adoption of integrated solutions.



In Chile, as part of World Environment Day, the **Enel X forest** was inaugurated in partnership with the Reforestemos Foundation. The initiative involves **planting native trees in degraded territories** affected by forest loss. The project involved the various Business Lines with a view to raising awareness about the importance of forests and the need to restore and protect them. Specifically, together with the Reforestemos Foundation, the initiative “1+1, a tree for every electric bus” was developed, which resulted in the planting of 1,540 native specimens in the forests of southern Chile, equivalent to the number of buses on the streets of Santiago at the end of 2023. This project brought about an estimated reduction in atmospheric emissions of approximately 540 tonnes of CO<sub>2eq</sub><sup>(27)</sup>.



**1,540**  
**NATIVE SPECIMENS PLANTED**  
**IN THE FORESTS OF SOUTHERN**  
**CHILE**

**EQUIVALENT TO THE BUSES DRIVEN**  
**ON THE STREETS OF SANTIAGO**  
**AT THE END OF 2023**

(27) Value estimated according to the methodology used by Fundación Reforestemos.

## Agrivoltaics: from research to large-scale implementation

The construction of **agrivoltaic systems** is a concrete example of integration between business needs and nature. In 2021 Enel Green Power launched several pilot projects in **Spain, Greece and Australia**, together with **local stakeholders and strategic partners**, to evaluate the feasibility and synergistic effects of integrating agrozootechnical activities and utility-scale ground-mounted photovoltaic systems. The results were particularly interesting, including an **increase in agricultural yield from 20 to 60% and a decrease in water consumption for irrigation from 15 to 20%**, thanks to the improvement of microclimate conditions, and the reduction of thermal stress, especially during the summer months (evaluated over an observation period of 2-3 harvest cycles).

In 2023 Enel Green Power launched an important initiative in Italy, involving universities, cutting-edge research centers, startups and agricultural businesses, which saw the launch of four “Agrivoltaic Open Labs”, which are full-fledged **open-air laboratories for testing innovative technologies**, both photovoltaic and those integrating sustainable agricultural activities, and **promoting the conservation of biodiversity and**



**the improvement of ecosystem services.** Indeed, through the implementation of specific habitats to host colonies of pollinators, as well the adoption of sustainable practices for management of crop cutting, the initiative is improving the living conditions of species threatened by climate change. Following results obtained from the pilot plants, Enel Green Power started construction on three sites of **agrivoltaic plants in Italy**, of which one, the largest in Italy, located in Tarquinia, outputs approximately 167 MW, while the other two sites are still under construction and have a total capacity of approximately 70 MW.



### AGRIVOLTAIC OPEN LAB ITALY

In the Agrivoltaic Open Labs of Bastardo (Umbria), several tests have been started on a ground-mounted solar plant of approximately 1 MW, consisting of fixed structures equipped with **bifacial modules**.

1. **Planting aromatic species** (thyme, sage and rosemary) between the rows of photovoltaic modules and in a control area, **to evaluate their synergistic effects on power generation, agricultural yield and water saving.**
2. **Installing hives** for the production of “solar honey” and educational activities aimed at young beekeepers and raising awareness among school children and families.
3. Testing **natural solutions to restore and revitalize soils**, using combinations of plants (alfalfa, sainfoin, fenugreek, chicory) to protect the soil from erosion, improve water absorption and protect microbial communities.



4. **Monitoring** said solutions by means of solar, agronomic, environmental and biodiversity sensors, to monitor the health of pollinator colonies.



# Responsible use of water

| 3-3 | 303-1 | 303-2 | 303-3 |

The responsible use and conservation of water resources are fundamental guarantees for the protection of natural habitats and for the wellbeing of the communities that, together with Enel, benefit from the ecosystem services provided by these resources.

The preliminary analysis of environmental risks and opportunities, particularly highlighted the materiality, for some electricity generation technologies, of impacts linked to the use of water resources, above all fresh water and particularly in areas with high water stress, where competition between natural and human needs is greatest. Specifically, the **main impacts** are above all linked to water withdrawals for thermoelectric and nuclear generation, mostly for the cooling of thermal cycles and for operating atmospheric emission abatement systems. In these plants, overall water requirements for industrial purposes are covered, where available, through withdrawals from so-called “non-scarce” sources (mainly including sea water, which is used as-is in open cycle cooling processes and subjected to desalination to obtain industrial water) and, where necessary, from “scarce” sources, represented by surface water, groundwater and potable water. To minimize these withdrawals, in addition to maximize the recovery of internal wastewater, Enel uses, where available, treated wastewater supplied by water management consortia.

## Efficient use of water resources

In 2023 the **total withdrawal** of process and closed-cycle cooling water<sup>(28)</sup> was approximately **55.0 x10<sup>3</sup> ML**, a significant reduction (**-28%**) compared with **2022 data (76.0 x10<sup>3</sup> ML)** due to the reduction in thermoelectric and nuclear power generation, and particularly that of coal plants called into production in recent years to a

The **main dependencies** are instead attributable – in addition to the needs of thermal plants – to hydroelectric plants, which depend for their operation on the water cycle which, through rainfall and melted snow, constantly replenishes surface watercourses.

**Risk analysis** related to water also took into account possible scenarios involving **changes to the relevant regulatory framework** and the **future availability of the resource**. Regarding the first aspect, the active role played by Enel in the development and application of national and international reference environmental standards allows the Company to avoid possible misalignments or violations by adopting improvement actions inspired by the best available techniques. Regarding the second aspect, through the development of medium and long-term meteorological and climatic scenarios, especially those linked to the effects of climate change – such as the onset of chronic precipitation variability or of waters temperature rise – the change in availability and expected quality of the water resource in basins of interest to the Group was assessed. Producibility maps for Enel plants highlighted that, on average, no significant changes are expected for the period 2030–2050 compared with available historical data.

greater extent in response to the international energy contingency. As regards **specific water requirements**<sup>(29)</sup>, in **2023** it was **0.23 l/kWh**, slightly down on **2022<sup>(30)</sup> (0.27 l/kWh)**, again thanks to the reduced use of conventional thermal plants and the increase in power generation from renewable sources.

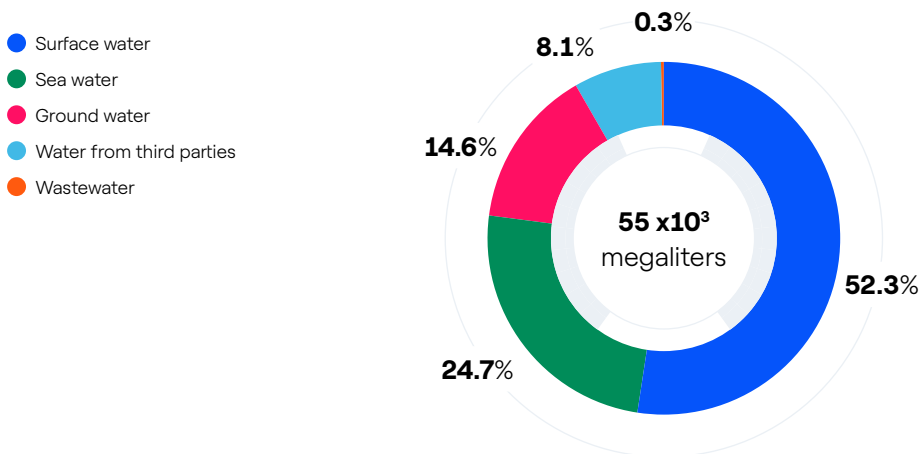
(28) The waters used for open cycle cooling are reported separately among the environmental indicators. They are not taken into consideration here in assessing the efficient use of the water resource, as they are returned in full to the natural receptors, without substantial changes in quality, apart from a slight increase in temperature, subject to authorization and continuous control in order to guarantee the absence of measurable impacts on exposed ecosystems.

(29) The water requirement is constituted by all the water withdrawal quotas from surface (including recovered rainwater) and groundwater sources, by third parties, from the sea and from wastewater (quota supplied by third parties) used for process needs and for closed-cycle cooling, except the quota of sea-water discharged back into sea after the desalination process (brine). This latter item (brine) contributes to the total quota of withdrawals.

(30) Value also recalculated to take into account the reclassification of the cooling cycles of some nuclear power plants in Spain.



## WATER WITHDRAWAL BY SOURCE



Enel is constantly committed to progressively reducing the specific water requirement for its plants and assets, through the efficient use of water in existing thermal plants, the evolution of the energy mix towards renewables, and the progressive reduction of generation from fossil fuels. Among the efficiency measures, particular attention is paid to maximizing the **recovery of process wastewater** from treatment plants and to increase the efficiency of cooling systems and evaporative towers, by upgrading control systems and blowdown recovery. Other important optimization interventions in thermoelectric plants concerned the use of crystallizers<sup>(31)</sup>, a technology that allows the complete reuse of wastewater in the pro-

duction cycle, eliminating related discharges (ZLD – Zero Liquid Discharge plants). Finally, great importance is given to the **reuse of rainwater** collected in plant areas, which cannot be returned as-is to natural receptors as it is potentially contaminated by contact with industrial areas. This water is stored in special storage tanks and reused in the generation processes, thus further helping to reduce the environmental footprint of generation sites.

Efficiency interventions in the use of water also make it possible to minimize **water discharges** as well as **total consumption**, which in **2023** were respectively  **$19.5 \times 10^3$  ML (-37%,  $30.8 \times 10^3$  ML in 2022)** and  **$35.4 \times 10^3$  ML (-22%,  $45.2 \times 10^3$  ML in 2022)**.

## The target for reducing specific fresh water withdrawal and the focus on water-stressed areas

Starting last year, Enel renewed and relaunched its commitment to preserving water resources, adopting the target of a 65% reduction in **specific withdrawal of fresh water** by 2030 compared with the base year 2017.

By directing attention to the most valuable and vulnerable water resource, Enel's objective demonstrates its even more explicit commitment to the protection of natural habitats and to the needs of local communities, also taking into account recent EU regulatory developments in the field of sustainability reporting (EU standard ESRS-E3 "Water and Marine Resources") and the results of the risk and priority analysis conducted at Group level.

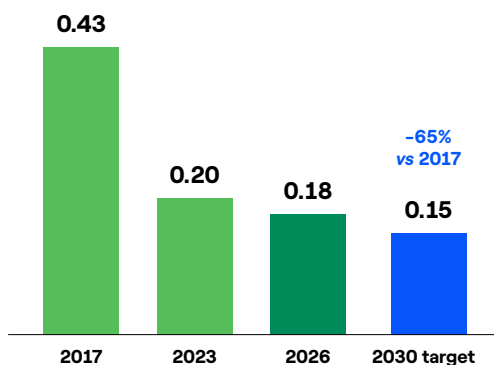
The commitment is pursued through the definition, at

Group level, of common strategies and specific objectives, which are implemented locally through the adoption of Environmental Management Systems on all assets for which the resource is material, as well as through water management plans for hydroelectric plants combined with continuous improvement programs shared with local stakeholders (basin authorities, local administrations, control bodies, citizens' committees and NGOs). The measures of impact mitigation and improvement, defined in the management plans, aim to the guarantee of minimum vital flow and the protection of habitats (see the specific websites of the Environmental Authorities of the various countries where the Group is present).

(31) Crystallizers or SEC (softening, evaporation and crystallization) systems. Technology applied in Italy in coal-fired power plants.

During 2023, a total of **40.6 x10<sup>3</sup> ML of fresh water** was **withdrawn** for process and closed-loop cooling uses, a significant decrease (**-23%**) compared with 2022 (**52.7 x10<sup>3</sup> ML**), with the **specific fresh water withdrawal value at Group level standing at 0.20 l/kWh (13% down** on last year's value of **0.23 l/kWh**), as a consequence of the reduced thermoelectric and nuclear generation.

## SPECIFIC FRESH WATER WITHDRAWAL (l/kWh)



Enel also pays particular attention to the vulnerability of the resource, by mapping and constantly monitoring all generation sites located in areas classified as **water-stressed areas**. Mapping of generation, thermal, nuclear and renewable sites falling within water-stressed areas is carried out 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<sup>(32)</sup>. Among the sites mapped, those defined as “critical” are those positioned in water-stressed areas and which procure significant volumes<sup>(33)</sup> of fresh water. For these sites, which are mainly thermoelectric and nuclear plants that use water resources for process and closed-cycle

cooling needs, water management methods and process performance are constantly monitored, in order to minimize consumption and favor withdrawals from sources of lower quality or which are non-scarce (wastewater, industrial or sea water).

**Fresh water withdrawals in water-stressed areas**, which in **2023** amounted to **10.3 x10<sup>3</sup> ML**, are also decreasing (**-17%**) compared with **2022 (12.4 x10<sup>3</sup> ML)**, although to a less marked extent than the overall withdrawal value (-23%), due to optimization initiatives already adopted in these areas. Consequently, the percentage of water withdrawn in water-stressed areas was 23% of total withdrawals in 2023 and slightly up on the previous year (19% in 2022).

The **specific withdrawal of fresh water in water-stressed areas** was **0.10 l/kWh** in 2023, which was however slightly lower than the previous year (**0.12 l/kWh in 2022**) and in general significantly lower than the total Group value reported above (**0.20 l/kWh**), underlining the Company's priority commitment to adopting, in water-stressed areas, renewable technologies (solar and wind) that do not require significant quantities of fresh water or, in the case of thermoelectric plants, sea water desalination technologies<sup>(34)</sup>.

Also in the case of solar plants located in water-stressed areas, although the volumes are insignificant, Enel adopts innovative solutions aimed at drastically reducing local water consumption used for the periodic cleaning of photovoltaic panels.

More generally, since 2020 Enel has been implementing the **WaVE (Water Value Enhancement) project** in order to reduce the use of water resources in all thermoelectric and renewable power generation sites, particularly in water-stressed areas. The project continued in 2023, refining the mapping of assets and focusing on the effects that climate change may have on the availability of water resources.

(32) GRI 303 defines “water stressed” areas as those in which, based on the classification provided by the WRI Aqueduct Water Risk Atlas, the ratio, referred to as “baseline water stress”, between total annual surface and groundwater withdrawals for different uses (civil, industrial, agricultural and livestock) and the renewable water supply available annually is high (40-80%) or extremely high (>80%). By way of greater environmental protection, those plants located in areas classified by the WRI as “arid” due to the unavailability of water are also considered as located in water stressed areas.

(33) Plants with withdrawals greater than 100 m<sup>3</sup>/year are included.

(34) The quantities of fresh water withdrawn and the energy generated in water-stressed areas are calculated taking into consideration both thermoelectric and renewable plants located in these areas. In the case of renewable plants managed in geographical clusters that include areas with different levels of water stress, the estimates of the previous quantities were made in proportion to their generation capacity.



## WaVE PROJECT

### REDUCING THE USE OF SURFACE FRESH WATER IN ITALY

The La Casella power plant, one of the largest combined cycle units in Italy and fundamental for ensuring the production continuity during the transition towards renewable generation, recently saw the revamping of its integrated water management system. The system, stocked with fresh water withdrawn from the river Po at the time the plant was built, had become obsolete and unreliable, with potential repercussions on the availability of the power generation units. The intervention completely renewed the demineralized water production process, by implementing a more advanced technology

### REDUCTION OF WATER USAGE IN IBERIA

The Barranco de Tirajana plant located in the Canary Islands, a water-stressed area, has implemented a series of plant modifications and optimizations that enable it to **recover and reuse water** used in so-called storage phases, rather than discharging it

based on reverse osmosis whilst at the same time carrying out various modernization interventions in the sections dedicated to production of industrial water and wastewater treatment. The project's key objectives include **the creation of efficient and automated systems**, with optimal standards of safety and respect for the environment, which eliminate the risk of unavailability. Furthermore, the initiative is envisaged to bring about a significant reduction in the consumption of demineralized water, and therefore in the withdrawal of fresh water from the river, with a consequent positive impact on the water resource, through the **recovery of steam generator blowdowns** and the **reuse of rainwater and wastewater**. The project is expected to reduce the plant's needs for water from the river Po by up to 70%. Other tangible benefits include a significant reduction in water discharged after treatment and a notable reduction in the consumption of chemical reagents and sludge generated by wastewater treatment processes, further improving the efficiency and sustainability of the power generation plant.

and producing it again when needed. This delivers numerous advantages, including greater operational flexibility, which in turn reduces production restart times. Furthermore, significant water savings are achieved, with a reduction of approximately 50% in the quantity of water required for storage, considering the plant's typical current work cycle.

## Responsible and integrated management of water catchment areas

The operation of **hydroelectric power plants** is an important element of water management. The materiality analysis recognizes to this technology significant impacts on the transformation of terrestrial and aquatic habitats during the construction and initial operation phases of the plants. However, almost all of the Group's hydroelectric power plants are now several decades old and in the period since their construction, the surrounding habitats have had the opportunity to fully regain their equilibrium, enhanced by the very presence of the water basins, to the point of becoming protected natural areas in many cases. These power plants, which do not contribute to the Group's water consumption since the water withdrawn is completely returned to its source, further provide a series of additional services for the community that extend beyond the sole generation of renewable energies. Most of power

plants, jointly run by government with public and private stakeholders, manages the water resource for multi-purpose services ranging from flood control, drinking water and irrigation and firefighting services, to the management of river waste held by artificial dams, also including numerous cultural, leisure and nature-based initiatives, made possible thanks to the presence of the power plants. The reservoirs of hydroelectric plants also carry out a vital role in the response to the effects of climate change, increasing the level of protection of the communities subject to increasingly frequent severe flooding and to prolonged periods of drought. Management of the outflows from hydroelectric plants is done through specific programs to ensure the volumes of water required to preserve the ecological state of rivers (minimum vital water flows).

# Preventing pollution

Enel is committed to the continuous application of the most advanced technologies available and best practices in order to minimize the possible impacts deriving from its activities on environmental matrices, such as air, water and soil, using international standards as a benchmark even where the environmental protection requirements of

local legislation are less stringent. These protection principles are made effective through the definition of quantitative objectives and operational plans applied to all of the Company's production and service sites and infrastructures, from the design and construction phases through to operation and end-of-life repurposing.

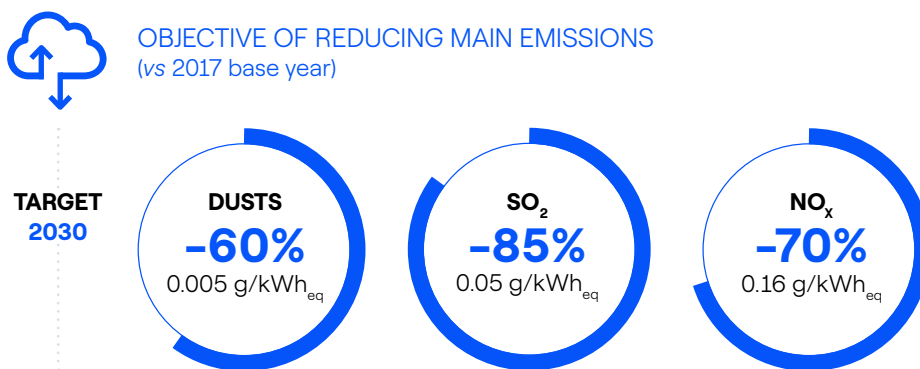
## Actions to reduce pollution in the atmosphere

3-3 | 305-7 |

The constant commitment to improving air quality in the areas where Enel operates is demonstrated by the care paid to **reducing the main atmospheric pollutants** associated with thermal generation: sulfur oxides (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>), and particulate matter (PM).

For years, the Group has set itself important objectives to reduce specific emissions of pollutants emitted into the

atmosphere. In line with the SBTi certification process with respect to the Group's GHG emissions and the revision of the baseline to 2017 carried out last year to take into account the deconsolidations of assets as at December 31, 2022, the target values for pollutant emissions into the atmosphere by 2030 are:



In addition to these, the target of reducing mercury (Hg) emissions from coal-fired thermoelectric plants by 100% compared with the year of reference has been introduced since last year<sup>(35)</sup>. Pollutant reduction trends and targets are consistent with the Strategic Plan and with the Group's decarbonization objective.

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 2023, NO<sub>x</sub> emissions amounted to **0.26 g/kWh<sub>eq</sub>**, a reduction in both absolute and specific terms (-19% compared with the **2022 value of 0.32 g/kWh<sub>eq</sub>**), due to the

concomitant lower overall production of gas and CCGT combined cycle plants. In particular, the specific emission of NO<sub>x</sub> in 2023 is lower than the intermediate target set for 2026, as this latter forecast data takes into account pessimistic scenarios, including a potential fluctuation in hydroelectric power generation.

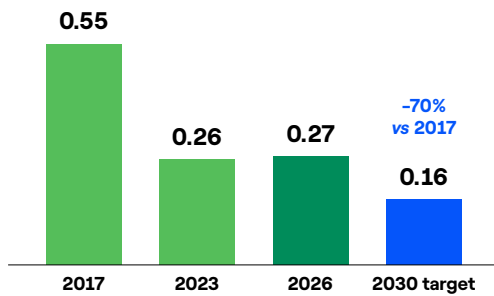
By contrast, emissions of SO<sub>2</sub> and particulate matter increased compared with last year, as a consequence of the higher coal-based production in Colombia, owing to specific production needs as a result of intense drought phenomena linked to El Niño, which significantly altered rainfall distribution. In particular, **specific emissions of SO<sub>2</sub> were 0.09 g/kWh<sub>eq</sub> (29% compared with the 2022 value of 0.07 g/kWh<sub>eq</sub>)**, and PM emissions totaled **0.006 g/kWh<sub>eq</sub> (20% compared with the 2022 value of 0.005 g/kWh<sub>eq</sub>)**.

(35) The target refers to the countries for which this measure is prescribed and therefore includes Italy, Spain and Chile, whereas Colombia is excluded. The baseline value of 387 kg of Hg, referred to the year 2017, was calculated net of corporate deconsolidations as at December 31, 2022.

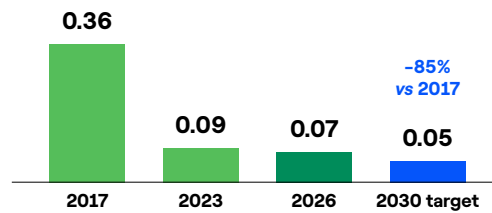
For **mercury emissions from coal-fired plants**, the value for the year 2023 was **44 kg** of Hg, **down 41%** compared with **2022 (75 kg)**. For these emissions – which have also always been subject to constant monitoring and reduction in all plants of the coal-fired thermoelectric park fleet through the adoption of the best available and techno-

logically applicable abatement techniques – as previously stated, the target value of 0 kg of Hg (-100%) by 2030 is set, in line with the expected closure of all coal-fired plants by 2030, whereas the value set for 2026 is 3 kg of Hg (-99% compared with 2017).

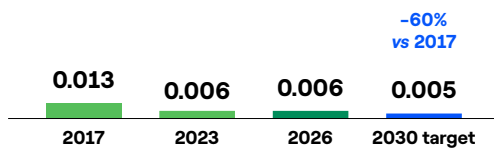
### NO<sub>x</sub> (g/kWh)



### SO<sub>2</sub> (g/kWh)



### PARTICULATE MATTER (g/kWh)



## Actions to reduce the impact of liquid waste

The paragraph “Responsible use of water” presents Enel’s commitment to minimizing the discharge of wastewater from plants into surface water bodies, downstream of internal recovery and reuse actions. Discharge, in plants not equipped with zero liquid discharge (ZLD) systems, always takes place downstream of a **treatment process** that removes any pollutants present to concentration levels that will not have negative impacts on the receiving water bodies, as verified by sampling and analysis plans and in com-

pliance with the limits and requirements established by national regulations and operating permits.

The potentially polluting substances present in discharges mainly consist of metallic species (Fe, Al, Si, Ca, Mg) present in solution or, to a lesser extent, suspended solids. However, there are no pesticides or substances classified as hazardous, while insignificant quantities of nitrates and phosphates might be present, linked to thermal power generation rather than to the use of chemical substances<sup>(36)</sup>.

(36) The materiality indicated in the paragraph “Impact factors” for hydroelectric and nuclear technologies in relation to the item “Water pollution” refers instead to possible alteration in the quality of the resource resulting, respectively, from phenomena of anaerobic decomposition and/or eutrophication inside the basins in the case of hydroelectric plants, and from the temperature of cooling water in the case of nuclear plants. In both cases, therefore, there is no direct emission of priority polluting substances (based on the E-PRTR Regulation) by the plants.

## Actions to protect the soil, subsoil and groundwater

| 3-3 |

Enel pays the utmost attention to the protection, monitoring and remediation of soil, subsoil and groundwater in the areas where power generation and service facilities are present in all countries.

The protection of environmental matrices guides every phase of each asset's life, from design choices to construction, operation and end-of-life management. Both active and passive protection and safety measures are used in the design phase to prevent and, in any case, minimize the risk of uncontrolled or accidental contact of potentially polluting substances (such as fuels, reagents, liquid and waste flows) with soils and subterranean waters.

During **plant operations**, every process undergoes compliance controls as well as ongoing upgrades as required by the Environmental Management Systems to prevent and minimize the risks of any potential environmental contamination. At the same time, control plans are executed to monitor the condition of the previous environmental matrices. In the event of an accident, for example the accidental spillage of polluting substances, the timely application of the Stop Work and Emergency Management Policies makes it possible to prevent or minimize the risk of environmental impacts, rigorously complying with the provisions and the legal obligations of the various countries.

For the **end-of-life management of power plants**, once they have been secured and prior to being dismantled and the area reassigned for new development projects, Enel proceeds to verify further the environmental quality of the soil, subsoil and groundwater in the areas where the plant is located, according to the authorized provisions and legal requirements of the various countries. In

case of potential contamination events, characterization of the environmental matrices in the areas potentially affected and, if necessary, implementation of safety measures and subsequent remediation, are executed according to intervention plans shared with the competent authorities and by resorting to specialist, qualified companies that are able to promptly restore the level of quality suitable for the intended use of the area (industrial, commercial, residential etc.). Particular focus is on power plants falling within large industrial hubs.

In order to optimally implement the principles of sustainability also in soil and groundwater management, while optimizing the environmental, social and economic value of the sites, Enel Green Power has implemented **dedicated Guidelines ("Sustainable Remediation")** focused on remediation projects.

The guidelines describe and include tools useful for the analysis and preliminary selection of remediation technology(s) to be applied in contaminated sites and provides support towards the technology comparison process.

The main drivers of the sustainable remediation model are:

- the protection of human health and the environment;
- the promotion of "*in situ*" interventions which avoid the production of waste and the need for road transport;
- a strong focus on the recovery and reuse of remediated soil and groundwater, reducing their impact on existing ecosystems;
- the reduction of atmospheric emissions by minimizing the use of energy and maximizing the application of renewable energy sources.



## CONSERVATION AND PROTECTION OF HABITATS AND NATIVE SPECIES CHILE

Biodiversity protection is also a prerogative in the sustainable management of **plant closure and decommissioning phases**. One example is Tarapacá thermoelectric power plant (Chile), where the coal-fired unit was closed in 2019 and the preparation phase for the definitive demolition of the plant is currently under way following receipt of all the necessary authorizations.

The plant is located near a Priority Site for Biodiversity (Punta Patache, Iquique, Región de Tarapacá), particularly with regard to seabirds; hence, during the environmental assessment of the closure phase, the nesting sites of **Peruvian tern** species (*Sternula lorata*, categorized as endangered by the International Union for Conservation of Nature (IUCN)) were considered as sensitive receptors in order to prevent any physiological or behavioral effects resulting from the increased noise levels; therefore, for preventive purposes, these nesting sites have been mapped and excluded from any work or activities associated with the demolition project.

Also detected in the vicinity of the plant was the presence of **Markham's storm petrels** (*Hydrobates markhami*, classified as endangered by national legislation), a species heavily affected by light pollution. For this reason, the decommissioning project considers the use of safe lighting for the species as a mitigation measure, based on the main recommendations contained in the guide "Diagnosis and guidelines to mitigate the effects of light pollution on seabirds of Chile<sup>(37)</sup>", such as:

- use suitable lighting fixtures to avoid dazzling the birds (prefer warm lights to cold lights, choose fixtures with protections or hoods);
- direct lights towards the ground and position them as low as possible;
- limit the use of lighting equipment to that which is strictly necessary.

Tarapacá power plant has an Emergency Plan for the management and rescue of Markham's storm petrels, which involves collecting and caring for specimens that may be attracted to lights or other objects, and, in emergencies, transferring them to a Wildlife Recovery and Rehabilitation Center accredited by the Environmental Authority for clinical assistance, marking and release of the specimen.



STERNULA LORATA



HYDROBATES MARKHAMI

(37) See: [redobservadores.cl/wp-content/uploads/2022/06/Guia-iluminacion-amigable\\_final.pdf](https://redobservadores.cl/wp-content/uploads/2022/06/Guia-iluminacion-amigable_final.pdf).

# Waste management

| 3-3 | 306-1 | 306-2 | 306-3 |

Optimal waste management is a strategic objective of Enel's environmental policy, which results in a constant commitment to reducing waste generation, as well as to constantly devising new methods of reusing, recycling and recovering waste in the perspective of a circular economy of resources, in line with the principles indicated by the

## The target of reducing waste from operational and maintenance activities

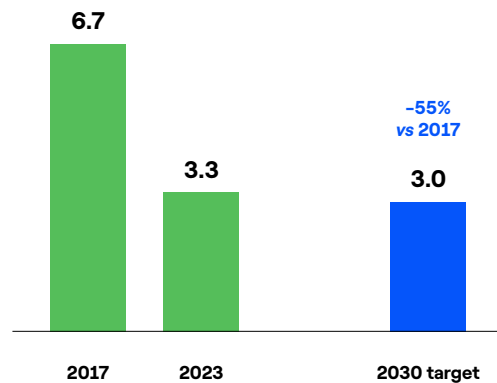
For several years, Enel has been pursuing an important target of reducing waste produced by direct, operational and maintenance (O&M – Operation and Maintenance) activities carried out on its plants. The ongoing energy transition and Enel's strategic decision to progressively close its coal-fired thermal plants ahead of schedule by 2027 have already in recent years led to a drastic reduction in the quantities of waste produced by these plants, which once accounted for the majority of the Group's internal production. It is therefore envisaged that the production – and subsequent disposal – of ash from coal and gypsum from desulfurization will go to zero.

Starting last year, the target of reducing waste production has been extended to a part of the value chain, namely O&M waste produced by contractors who, operating on behalf of Enel, generate waste which they manage under their own responsibility as producers, in compliance with applicable laws, authorizations and mandatory qualification and management compliance criteria regularly verified by Enel as the contracting company. These mostly consist of excavated earth and rocks and inert materials from civil and road construction and demolition, which in some main countries, including Italy, are classified and managed as waste and entirely destined for recovery.

This new adjustment of the target incorporates the principles of extended responsibility of the waste producer, as recommended by the recent EU standard ESRS E5 "Resource use and circular economy". It also makes it possible to highlight, in the context of the ongoing energy transition, the growing role within the Company of the manage-

ment of electricity distribution networks, service networks (for example, public lighting networks) and renewables plants. The target commits the Company to a 55% reduction in waste produced by direct and contracted O&M activities in 2030 compared with the base year 2017.

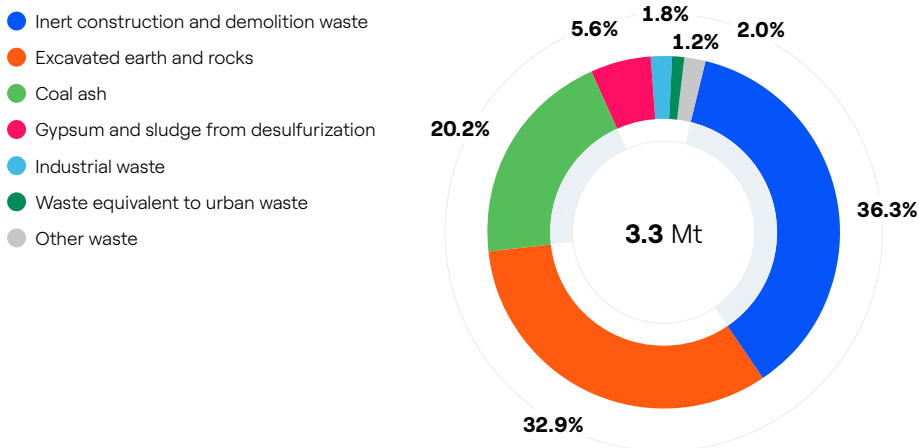
### WASTE PRODUCTION FROM O&M ACTIVITIES (Mt)



Waste produced in 2023 amounted to **3.3 Mt** (-51% down on 2017), a moderate decrease compared with **2022 (3.4 Mt)**, as a consequence of the reduced output of coal-fired thermoelectric plants.



## WASTE PRODUCED BY O&M ACTIVITIES



The vast majority of **waste produced (98%)** is classified as **non-hazardous**, mainly consisting of inert waste from construction and demolition, coal ash and excavated earth and rocks. In particular, production of coal ash desulfurization and gypsum was respectively 0.66 Mt in 2023 (-35% vs 2022) and 0.08 Mt (-29% vs 2022).

**Hazardous waste** amounted to a significantly smaller portion (**0.07 Mt**) of total waste produced, equal to 2%, which was slightly up on 2022 (0.06 Mt) as a consequence of non-routine maintenance interventions.

A significant portion of this waste (**0.02 Mt**, corresponding to 29% of total hazardous waste) is represented by “TSD sludges” (TSD denotes DeSO<sub>x</sub> plant blowdown treatment), produced by the pre-washing of combustion fumes in coal-fired thermoelectric plants, aimed at subsequently obtaining, in the desulfurization tower, gypsums that comply with standards for their reuse in the construction industry. Enel, for precautionary reasons and standardized management, has decided to classify these sludges as hazardous by origin, sending them to landfill. The quantity of sludges produced is therefore linked to the operation of coal plants. In 2022, the year in which coal-fired electricity production in Europe increased by approximately 7 TWh compared with 2021 owing to the geopolitical context and following various meteorological factors, sludges production increased by over 9,000 t compared with the previous year (in 2021 it was 10,300 t). In 2023 there was a slight decrease in sludges production of approximately 1,000 t compared with 2022. Furthermore, the gradual planned phase-out of coal plants over the next few years will allow the quantities of said sludges to be progressively reduced. A second important category of hazardous waste is ‘industrial waste’, which in 2023 amounted to **0.03 Mt**, equal to 43% of total hazardous waste. This waste is essentially end-of-life equipment, originating mainly from the maintenance and renewal of power grids and which is almost

entirely sent for recovery (78%).

The remaining portion (**0.02 Mt**, equal to 28%) mainly consists of oils, as well as earth and rocks that are classified as hazardous.

The total quantity of **hazardous waste sent for disposal** in 2023 was **0.036 Mt**, which is substantially similar to 2022 (0.034 Mt), and mainly the result of non-routine maintenance of some thermoelectric plants and modernization of power grids.

The **overall percentage of O&M waste**, both hazardous and non-hazardous, **sent for recovery** totaled **85%**. The commitment to a continuous increase in the percentage of waste recovered is essential for an effective transition towards a circular economy that minimizes the exploitation of natural resources, in accordance with the objectives of sustainable development and reducing the Company’s environmental impact and dependence on ecosystem services. **Excavated earth and rocks (96%)** and **construction and demolition waste from O&M activities (89%)** were recovered almost in their entirety, deriving mainly from the maintenance of power grids as well as of generation plants. Process waste from thermoelectric generation was also recovered to a significant extent, including **coal ash and desulfurization gypsum**, which were reused in construction industry to produce cement, concrete and bricks according to specific technical and environmental control requirements. In particular, the percentage sent for recovery was **75% for coal ash** and **88% for desulfurization gypsum**, slightly down on the previous year (respectively 80.4% and 88.3% in 2022). Finally, **industrial waste, WEEE and metal waste**, including iron, copper and aluminum, deriving from the maintenance of generation plants and power grids was mainly destined for recovery (**90%**). In 2023 the target of **reducing** the use of **single-use plastic by 85% in Italy and Spain** was consolidated. A reduction of disposable plastic in Enel’s offices was achieved

through a series of initiatives, including a program to replace water bottles with water dispensers connected to the main supply (made possible by the system configuration), a contractual ban on the use of disposable plastic in

bar and canteen activities, greater attention to the packaging of products offered in vending machines, as well as by replacing plastic cups with cups made from compostable material.

## Waste produced by construction and demolition activities

In addition to the commitment to reducing waste in the operational and maintenance activities described above, monitoring of waste production and recovery also extends to the **value chain**, including waste resulting from the construction of new renewable plants and the demolition of thermoelectric plants at end-of-life, as it is directly linked to the implementation of the Group's decarbonization and energy transition strategy. Above all, these activities are linked to the generation of inert materials, such as excavated earth and rocks, as well as valuable metal waste, in the case of the end-of-life decommissioning of plants. Enel is constantly committed to maximizing their recovery. In particular, for the recovery of waste deriving from the end-of-life decommissioning of plants, selective demolition techniques of the structures and dedicated management procedures are adopted to maximize their economic valorization. In 2023, waste produced on the **construction sites** of new renewable plants (wind and solar) and by the 3Sun gigafactory totaled **0.165 Mt**, which consisted almost exclusively of **non-hazardous waste (99.7%)**. The same activities

also produced 7.4 Mt of excavated earth and rocks, which was entirely reused *in situ*.

In addition, waste from the end-of-life **demolition** of thermoelectric plants totaled **0.4 Mt**. Waste from these activities consisted of **95% non-hazardous waste** (mainly excavated earth and rocks, inert waste from construction and demolition and industrial waste, including mainly metals) with average recovery values of 80%, rising above 99% for the metallic portion. Programs at country level and dedicated initiatives at plant level are aimed at optimizing the management of this waste, with a view to maximizing its recovery and value.

Finally, with reference to the **specific redevelopment worksite of the Enel headquarters** in Viale Regina Margherita (Rome, Italy), launched in November 2020 for a duration of approximately 40 months and involving a total area of approximately 80,000 m<sup>2</sup>, the amount of waste produced in 2023 totaled 17.9 kt, of which 99% (about 17.7 kt) consisted of demolition aggregates, glass and metals, which was entirely sent for recovery.

## Improvement initiatives

The "Zero Waste" initiative, launched in 2020 by **Enel Green Power**, is now into its third year and involves the countries in maximizing the **reuse of materials**, by reducing waste generated by their plants and on construction sites, and optimizing waste recovery and recycling through the adoption of projects and good practices that often also involve contractors and local communities. The search for new solutions has continued this year too, by **engaging the Innovation area** to facilitate the circular management of renewable technologies at end-of-life.

In particular, great attention is paid to **testing solutions** for the sustainable management of the end-of-life components from solar and wind technologies, in anticipation of their decommissioning in the coming years, especially starting from 2030.

As regards **solar technology**, examples include the "Pho-

torama" project, aimed at **recovering the most useful materials contained in photovoltaic panels** and then reusing them in the same production chain, and the Chilean project on the "2nd life" of panels, launched in 2022, which aims to research innovative solutions for analyzing failures in disused PV modules and reusing said modules in alternative applications.

Meanwhile as regards **wind technology**, the "Wind New life" project has reached the phase of verifying the technical and industrial-scale feasibility of **recycling wind turbine blades**; there are Proofs of Concept (PoCs) focused on suitability testing of ground material from wind turbines for use in different industrial sectors. Work is also ongoing, especially on a national scale, in conjunction with other utilities and sector associations, on advocacy actions and plans for the end-of-life management of wind turbines.



## TECHNICAL CLOTHS INITIATIVE ENEL GREEN POWER & THERMAL GENERATION ITALY

In order to promote the **reduction of waste generated by absorbent and filtering materials**, used in routine and non-routine maintenance operations carried out on its plants, Enel Green Power Italy has launched a trial, with the involvement of the Ministry of the Environment, on a number of thermoelectric and renewable plants for using so-called “technical cloths”

for industrial cleaning. This practice enables specific cloths to be repeatedly reused, as well as reconditioned to their original absorbent function through controlled washing operations. The companies producing the reusable technical cloths not only rent them out, but also collect them back and wash them after use. A high level of control is ensured in each phase by making the cloths identifiable by means of a special indelible mark and providing evidence as to the correct management of wastewater resulting from the various washes. The renting and reuse of the cloths makes it possible to reduce their production and the disposal to landfill of often hazardous waste (around 10-20 t/year of waste is avoided for each plant taking part in the trial), with undeniable benefits for the environment, as well as economic savings.



As regards waste generated by **grid management activities**, in continuity with programs launched in previous years, the commitment to the **recovery of special waste**, both hazardous and non-hazardous, has continued. In particular, **dielectric mineral oils used** as insulators in electrical equipment are given to authorized companies for regeneration and, only in cases where this option is not feasible, destined for waste-to-energy processes.

Initiatives undertaken in the various countries are also ongoing. Notable examples are the “DPI NewLife” project in Italy, focusing on the **recovery of expired or used personal protective equipment** for use in construction as a secondary raw material. A pilot project called “Telereciclo” was also launched in Colombia, to transform operational staff’s **obsolete clothing** into multicolored fiber by means of a cleaning and shredding process. Another pilot project started in Colombia aims to recover obsolete **porcelain insulators** (about 200 t), which are suitably treated and re-used in construction to improve the resistance of cement to abrasion, wear and chemical agents.

In 2023 **Enel X Global Retail** maintained its commitment to a sustainable approach that is oriented towards **reduc-**

**ing the consumption of natural resources** and **reducing the use of virgin plastic** in its products and in the packaging of products destined for the European market, in accordance with EU Directive 2019/904 and EU Decision 2020/2053. In the Enel X Way Waypole™2 product (column-type charging infrastructure for electric cars), the materials of both external enclosures and the internal parts have been replaced with sustainable materials (certified 100% recycled plastic) from recovered E-Distribution energy meters. The same type of recycled plastic is now used for the casing of the Enel X Way Waybox™ Pro product (box-type charging infrastructure for electric cars). The new residential charging product, Waybox Start, is also manufactured using sustainable materials and consists of over 60% recycled plastic from external sources. The commitment to reducing **plastic in packaging** resulted in the elimination of plastic handles and bags for accessories and switching all primary packaging for products such as the Waybox and Waypole to recycled cardboard (over 50% recycled material in primary packaging and over 90% in secondary packaging).

As regards **products placed on the market**, Enel X Global

Retail promotes supply chain initiatives to reduce the use of plastic by applying reward criteria to the selection of suppliers in a way that favors the use of recycled, recyclable or reused materials or products that reduce demand for virgin materials and incorporated carbon emissions. In addition, Enel X Global Retail adopts the **Extended Producer Responsibility (EPR)** model, which also includes the **post-consumer phase**, by adhering – also on a voluntary basis – to collective WEEE collection systems in all the markets in which it operates, as well as the collection of batteries and packaging, and by launching **end-of-life management initiatives** for marketed products and optimizing their design with a view to maximizing their reuse and recycling.

Initiatives launched in previous years are continuing, namely the “ALVA (ALternativas de VALorización)” project in Spain for the reuse and recycling of products or components of Electrical and Electronic Equipment (EEE) collected from customers, and the agreement between Enel

X Italia and the CdC WEEE (WEEE Coordination Center), which saw the participation of 94 B2C installation companies. Through this Protocol, the provision of EEE collection service is promoted through syndicated collection systems distributed nationwide.

Other initiatives are being developed on the ground. For example, in Italy, Enel hosts the “DireFareRAEE” campaign in two of its Spazio Enel outlets; the campaign was launched by Erion WEEE and is intended to educate and raise awareness among citizens about the importance of recycling electrical and electronic waste and to encourage the transition towards the circular economy.



For further initiatives, see the chapters “**Circular economy**” and “**Sustainable supply chain**” in this document.

## Energy efficiency

| 3-3 | 302-1 | 302-3 | 302-4 |

Within **an international context** in which energy efficiency (“energy efficiency first”) is considered a priority, Enel systematically and continuously promotes every possible improvement action. One of the actions implemented by the Enel Group that is certainly highly effective is the implementation of **certified Energy Management Systems** according to the **EN ISO 50001** international standard and regulatory obligations established by the new EU Directive 2023/1791 adopted by the European Council as part of its energy efficiency strategies.

The binding nature of the Directive obliges member states to adapt national legislation to the new community provisions; specifically, based on the average annual consumption of all energy carriers, companies will have to implement an energy management system (EN ISO 50001) and in any case carry out energy audits on their organization every four years (EN 16247-1).

Enel has promptly taken steps to meet these last obligations in Italy and Spain, guaranteeing compliance with requirements relating to energy use and consumption, as well as adopting a systematic approach aimed at continuous improvement, starting from the **main energy generation units**, where the coverage level of ISO 50001 certificates for **Italy stands at 85%** of total thermoelectric capacity.

Around the **world**, Enel has certified approximately 13,500 MW of installed capacity to the ISO 50001 standard, corresponding to **42%** of thermal technology production

sites. In addition, in Italy, it is worth noting that Larderello, the oldest **geothermal complex** in the world, obtained the first ISO 50001 certification in 2021, making Enel Green Power the first renewable energy company in Italy to have obtained this important recognition.

As regards **distribution grids** all the **main distribution companies** in Italy, Spain, Argentina, Brazil, Chile, Colombia and Peru are ISO 50001 certified. This commitment is constant and continuous and is aimed at creating energy efficiency in all business processes, encompassing the design, construction, development and management and maintenance of HV, MV and LV electrical networks and remote control, as well as in commercial services relating to the transport of electricity and the connection of end customers and manufacturers and for electricity metering and balance processing services.

Notable achievements in **Enel X Global Retail** include ISO 50001 certification in the **main operating companies in Italy and Spain**, where it is supported by additional certification to the respective national technical standards UNI CEI 11352 and UNE 216701. These rules establish the conditions and requirements to be complied with so that companies providing energy services can be defined as ESCo (Energy Service Companies). A certified ESCo is able to offer contracts as a guarantee of results to its customers, for services aimed at improving energy efficiency.

## Energy efficiency in production processes

Energy consumption is mainly represented by fossil fuels, to operate thermal power plants (with coal accounting for 16% and natural gas 37% in 2023), and by uranium, to operate nuclear power plants (35%). By contrast, a smaller amount of energy consumption is related to the operation of power generation plants relying on renewable sources (biomass and geothermal). Total **direct consumption** of energy for electricity generation in 2023 amounted to **806,728 TJ** (19.3 Mtoe), which was substantially lower (**-27%**) than the energy consumption of fuel recorded in 2022 as a result of the decrease in thermoelectric generation from coal (-89,257 TJ, equal to -43% compared with 2022) and natural gas (-192,858 TJ, equal to -41% compared with 2022), as well as from nuclear, to a lesser extent. **The Group's energy intensity**, which provides a measure of its operational efficiency, was **3.891 MJ/kWh<sub>eq</sub>** in 2023, down on the previous year (**-20%**).

## Energy efficiency and electrification products for customers

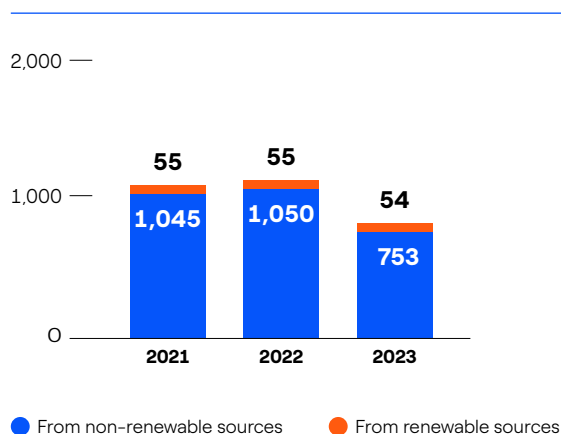
The electrification of final consumption has become a central element of Enel's strategy. Its intrinsic efficiency makes it the key partner in achieving sustainable goals globally. In line with this approach, several initiatives across the Company's businesses were strengthened and consolidated in 2023 to support commitments towards clean electrification. In 2023, the interventions carried out by the Business Enel X Global Retail Business Line in relation to efficiency, technological innovation and reduction of CO<sub>2</sub> emissions in the sectors in which the division operates, were strengthened and consolidated.

In the **public lighting sector**, interventions carried out during 2023 by Enel X Global Retail in Italy, Spain, Chile and Colombia led to the new installation of 266 MW of LED lighting systems, which together with the systems already in operation generated cumulative savings of approximately 290 MWh.

For its B2C (Business to Consumer) customers in Italy, Spain, Chile and Romania, Enel X Global Retail installed over 92,000 **energy efficient products** in 2023, including condensing boilers, air to air heat pumps and over 12,000 conventional and balcony photovoltaic systems (some with storage system).

In the B2B (Business to Business) sector, **photovoltaic sys-**

### CONSUMPTION OF PRIMARY ENERGY FROM RENEWABLE AND NON-RENEWABLE SOURCES (,000 TJ)



**tems** managed by Enel X Global Retail for its customers in Brazil, Spain, Italy, North America and South Korea totaled 56 MW installed generation capacity and enabled the production in 2023 of approximately 70 GWh of renewable energy, in addition to the energy efficiency achieved by the 22 cogeneration and trigeneration plants managed by Enel X Global Retail in Italy and Spain.

For Enel, the development of its electric mobility business is one of the necessary responses to the energy transition insofar as it combines decarbonization, digitization and electrification, in line with the Group's sustainability objectives. In 2023, the increased diffusion of both electric vehicles and Enel X Global Retail public charging points connected to the grid avoided over 30,000 tons of CO<sub>2</sub> emissions.

Overall in 2023, Enel X Global Retail's efficiency and electrification products and services, including those already in operation<sup>(38)</sup>, enabled customers to avoid emitting over 327,000 tons of CO<sub>2</sub>, equivalent to the CO<sub>2</sub> absorbed in one year by over 18 million trees. The environmental benefit values were calculated by applying specific algorithms validated by an internationally recognized certification body in accordance with the principles identified in the UNI EN ISO 14064-2:2019 standard.

(38) The estimate of avoided emissions considers consumption relating to 2023 and its calculation is limited to all plants actually in operation and energy efficiency products, including those installed in past years, within their period of warranty.



## ENERGY EFFICIENCY IN THE CIVIL SECTOR ITALY

Enel is committed to managing energy responsibly to reduce its environmental impact and improve its sustainability, through **more sustainable use of energy sources** as well as **improving the energy performance of civil premises for office use**, with attached infrastructures, by proceeding according to three guidelines:

- compliance with regulatory compliance;
- performance monitoring;
- efficiency in order to achieve objectives.

In relation to compliance with **current legislation** and all requirements related to energy consumption and energy efficiency, attention is notably paid to **energy diagnoses** on activities relating to the civil premises of Enel Italia SpA (Legislative Decree 102/2014), aimed at providing adequate knowledge of the energy consumption profile of a building or group of buildings or of an activity, identifying and quantifying energy saving opportunities from a cost-benefit perspective, and reporting on the results. Also worth noting is the **appointment of an Energy Manager** (Law no. 10 of 9/1/1991), responsible for evaluating energy consumption and implementing projects that increase efficiency and reduce energy-related costs

as well as ensuring the rational use of energy within the Company.

**Periodic and continuous monitoring** of consumption at site level occurs through PODs (Points of Delivery) for electricity and PDRs (Redelivery Points) for gas. By analyzing data deriving from the energy monitoring systems installed in the individual plant subsystems, as well as analyzing the operation of plants by means of Building Energy Management Systems (BEMS), it is possible to **identify any anomalies** in the operation of the plants and **implement actions for the continuous improvement** of their energy performance.

Where monitoring actions such as energy audits, together with cost-benefit assessments, establish the opportunity to pursue the best technological actions, specific efficiency projects are launched. Best practices in the area of energy efficiency become “basic principles” for design, especially as regards electrical and mechanical plant engineering fields (HVAC), such as:

- installing efficient technologies (e.g., upgrading to LEDs, presence sensors and brightness sensors for lighting);
- improving housings (e.g., replacement of fixtures);
- decommissioning boilers and replacing them with heat pump technologies according to principles of electrification of consumption (Net Zero);
- installing Building Energy Management System and energy monitoring systems;
- installing systems for producing energy from renewable sources (photovoltaic, solar thermal panels, etc.);
- installing charging stations for electric vehicles.

## Environmental legal disputes

| 2-27 | 2-4 |

The number of legal proceedings as at December 31, 2023 was 112 across the whole Group. The main environmental disputes related to Latin America. The amount of fines imposed in 2023<sup>(39)</sup> was approximately 3.98 million euros. In addition, 12 non-monetary sanctions were issued. In 2023

the most significant sanctions<sup>(40)</sup>, under review by the same authorities or subject to appeal with the competent authorities, were recorded in Colombia and are related to authorization aspects linked to impact on habitats.

(39) The relevance threshold for sanctions is 10,000 US dollars, therefore only sanctions that individually exceed this amount are reported.

(40) The relevance threshold of significant sanctions is 100,000 euros, as defined in Enel's policies.



# CIRCULAR ECONOMY

## DOUBLE MATERIALITY



**MATERIAL TOPICS:**  
• Circular economy

## SUSTAINABILITY PLAN PILLAR



**GROWTH ACCELERATORS**  
• Circular economy

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



For Enel, the circular economy is a strategic lever to boost the energy transition through an integrated approach to reduce fossil fuel consumption by generating renewable energy and raw materials involved in the construction of new assets.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
<b>CIRCULARITY ALONG THE VALUE CHAIN</b>			
Valorization of spare parts, equipment and scrap from the demolition of thermal power plants and promoting the adoption of circular business models	<b>39 million euros</b> in revenues generated from Reselling and Recycling activities in the two-year period 2022–2023	<b>53 million euros</b> in revenues generated from Reselling and Recycling activities in 2024 <sup>(1)</sup>	12
Circularity improvement <sup>(2)</sup>	<b>68%</b>	Target is considered outdated	8 12

- (1) Reselling and Recycling activities carried out on the basis of the progress of demolition work and the market value of the scrap.
- (2) The Circularity improvement KPI measures the reduction in the consumption of fuel and materials by the Group's plants throughout their life cycle compared to the energy produced, compared to 2015.

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan



# CIRCULAR ECONOMY

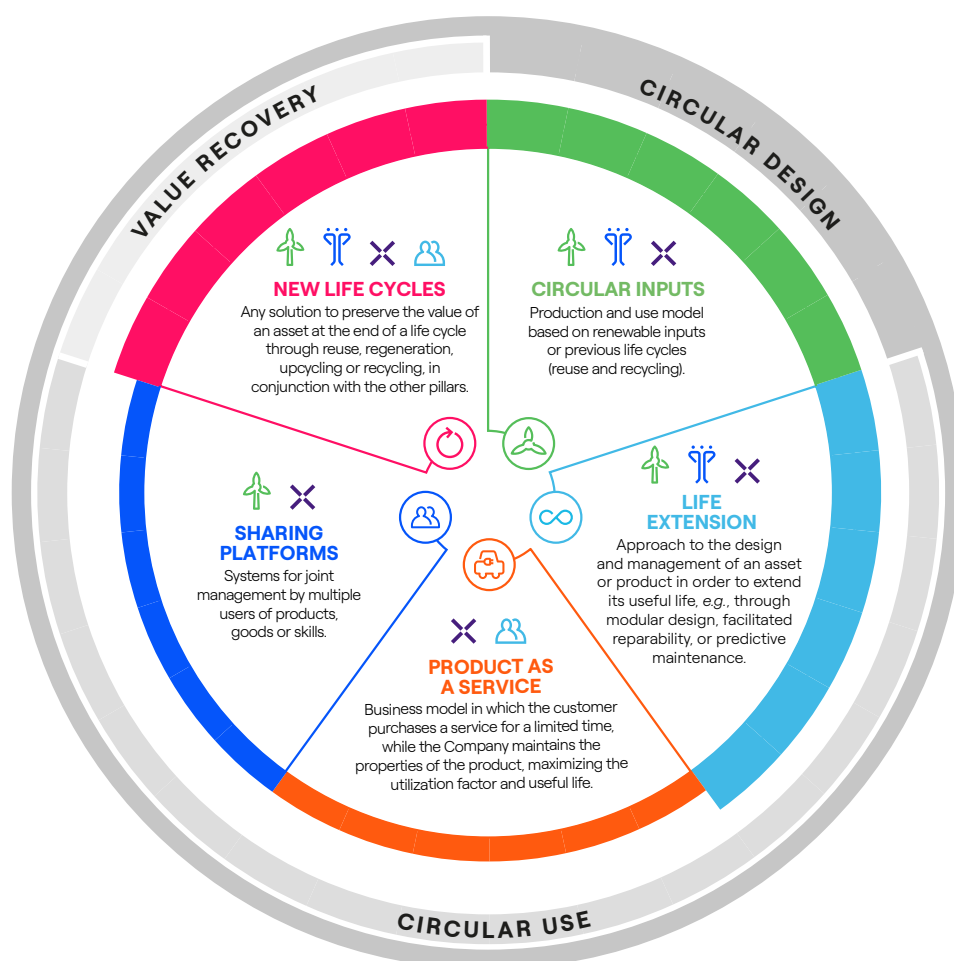


As part of Enel's energy transition process, an integrated approach was adopted from the outset, which allows for a reduction in the consumption both of fossil fuels thanks to power generation from renewable sources, and of raw materials used in the construction of new assets thanks to the principles of the circular economy.

In particular, **a circular model enables an accelerated transition and ensures competitiveness, resilience, and sustainability** in several areas:

- environmental, by reducing environmental impacts tied to the procurement of virgin raw materials;
- social, by fostering the creation of local value chains;
- economic, by creating new revenues and reducing procurement risks and uncertainties tied to supply chains and external shocks.

The Group's vision of the circular economy is inspired by the main international standards and is structured through all the different phases of a product's life, based on five pillars: circular inputs (inputs from renewables, recycling, reuse); life extension (through modularity, facilitated reparability, and predictive maintenance); product as a service (the Company provides the customer with a service and remains the owner of the product, maximizing its use factor and useful life); sharing platforms (shared use of an asset among multiple users); and new life cycles (recovery of value of assets and materials, e.g., through reuse and recycling).



A key element to fully redesign the value chain with a circular approach is the collaboration with suppliers, customers, institutions, associations, other actors in the supply chain and other sectors more generally, since waste material from one production chain may serve as a resource for another. It

is vital to extend this collaboration to the innovation ecosystem too (see the chapter on "Innovation"), so that the entire model can be redesigned by leveraging new solutions, not only from a technological standpoint, but also from a business model, regulatory and collaborative perspective.

## Governance and policy

The circular economy is a cross-cutting issue that impacts the entire life cycle of an asset. This is why it is key to engage different areas of the Company, from procurement, operation & maintenance, through to the structures that manage assets at the end of life. This integrated approach makes it possible to minimize commodity-related impacts and identify economic and improvement opportunities.

To this end, the “Enel Grids and Innovability – Sustainability” Function contains a specific unit, which plays a guiding and coordinating role at Group level in management processes that deal with circularity and activities in the Countries and Business Lines to ensure a coordinated approach to strategies, foster knowledge-sharing and build synergies.

The circular economy is an essential lever for Enel’s en-

vironmental commitments and its application in business activities is one of the strategic objectives of the Group’s Environmental Policy<sup>(1)</sup>, which was updated this year to further strengthen the commitment to circularity. In particular, these include promoting circular economy approaches and initiatives that involve working with the supplier ecosystem throughout the life cycle to reduce resource consumption and minimize environmental impacts throughout the value chain, incentivizing the use of secondary raw materials, improving material tracking, and identifying opportunities for extending the useful life of assets and maximizing the amount of assets and materials recovered at the end of life.

## Role of raw materials in the energy transition and in Enel’s strategy

Over the past few years, there has been a heightened interest in raw materials as a result of growing demand in key energy sectors (renewables, storage systems, distribution networks, electric mobility) as well as pressing concerns over supply risks, price uncertainty, and environmental and social impacts. Against this backdrop, events such as the war in Ukraine and other geopolitical tensions in recent years have added to the complexity of the issue, prompting a shift in response from numerous organizations. For example, in early 2024 the European Union approved the **Critical Raw Materials Act** with the aim of fostering EU access to a competitive and sustainable supply of critical materials<sup>(2)</sup> by supporting the development of domestic supply chains and innovative research projects. This document lists 34 critical raw materials (including silicon, lithium, copper and aluminum), identified according to their economic importance and supply risk. Of the critical raw materials, 17 are listed as strategic given their use in technologies of high strategic importance; these include rare earths, lithium and silicon, materials used in wind turbine motors (mainly in offshore wind turbines), batteries and photovoltaic panels.

Back in 2020, Enel launched a working group that involves all internal business areas to develop and update the Group’s raw materials strategy, with a particular focus on critical raw materials.

The Group’s strategy involves: assessing raw material

needs based on industrial and strategic plans and end-of-life material flows; risk and impact assessments on environmental, economic, geopolitical and social issues (with a particular focus on human rights); identifying priority areas of intervention; and lastly, developing measures to mitigate risks and impacts through specific business projects and actions.

The results of the analysis conducted by the working group in 2023 show that **the equipment and related raw materials sourced by the Group (both currently and prospectively) are mainly tied to the development of renewable technologies** (photovoltaic, wind, batteries) **and the distribution network, but also involve end-customer solutions and digital assets.**

With respect to the raw materials used by the Group, it is estimated that concrete and metals (steel, aluminum, copper) have the highest volumes (in tons). Concrete is the most widely used material, being used in particular for foundations of wind and solar power plants as well as grid assets such as substations and poles. Metals are present in all of the Group’s assets: steel for wind towers, foundations, poles, transformers, public lighting, photovoltaic trackers; aluminum is used in cables and photovoltaic panels; and copper in various electronic components used in grid, wind, photovoltaic, and battery assets.

Based on the most recent list of the Critical Raw Materials Act, **the Group is estimated to require around 8% critical raw materials.** If copper and aluminum (metals recently

(1) Reported in the “Roadmap towards natural capital conservation” chapter of this Report.

(2) [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_1661](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_1661).

added to the list) were excluded, and only critical raw materials for specialized technological applications (such as polysilicon and lithium) were considered, this requirement decreases to around 1%.

**The materials identified as priorities for the Group are polysilicon, base metals** (steel, copper, and aluminum), **and specialized materials used in batteries** (e.g., lithium and graphite). Identifying priority focus areas is key to determining the actions and circular economy projects needed to mitigate the associated risks and impacts (see the section on “Enel’s key circularity initiatives”).

Some **examples of these actions** include developing specialized expertise on raw materials, with an analysis of the recyclability of key assets (see the box on “Analysis of re-

cycling technologies for renewables”); targeted training on raw materials aimed at the units most involved in the topic; specialized studies (see the box on “Enel Foundation”); external benchmarks with other leading companies; analyses of market dynamics on raw materials; and focus groups with raw material producers.

**Enel also collaborates with associations and institutions active on the issue.** For example, the Company is part of the European Raw Materials Alliance (ERMA) – an initiative launched by the European Union in late 2020 with the aim of ensuring access to all raw materials needed to realize the vision for Europe’s Green New Deal. ERMA identifies barriers, opportunities and investment cases for building capacity at all stages of the value chain, from mining through to waste recovery.

## Analysis of recycling technologies for renewables

In 2023, the raw materials working group conducted an analysis of current and forward-looking recycling technologies for key renewable technology equipment (wind turbine, photovoltaic module, lithium

batteries) by engaging suppliers, recycling companies, internal estimates, and external studies on the topic. The analysis considered the characteristics of the recycling technologies generally available to date on an industrial scale, and made a prospective estimate of the recycling efficiency trends for the main materials involved in renewable technologies.

<p><b>WIND PLANTS</b></p> <p><b>INPUT MATERIALS</b></p> <ul style="list-style-type: none"> <li>• Main materials used           <ul style="list-style-type: none"> <li>- Steel</li> <li>- Copper</li> <li>- Aluminum</li> <li>- Composite materials</li> </ul> </li> </ul>	<p><b>USEFUL LIFE</b></p> <ul style="list-style-type: none"> <li>• 25 years average useful life</li> <li>• Expected end-of-life volumes according to installed capacity<sup>(1)</sup> <ul style="list-style-type: none"> <li>~1,465 MW before 2030</li> <li>~1,335 MW 2030-35</li> <li>~1,975 MW 2035-40</li> <li>~11,250 MW after 2040</li> </ul> </li> </ul>	<p><b>NEW LIFE CYCLES</b></p> <ul style="list-style-type: none"> <li>• Current recyclability ~85% (steel, aluminum, copper already fully recycled)</li> <li>• Estimated recyclability by 2030 ~92% (improvements in the recycling of composite materials)</li> </ul>
<p><b>PHOTOVOLTAIC PLANTS</b></p> <p><b>INPUT MATERIALS</b></p> <ul style="list-style-type: none"> <li>• Main materials used           <ul style="list-style-type: none"> <li>- Aluminum</li> <li>- Glass</li> <li>- Copper</li> <li>- Polysilicon</li> <li>- Silver</li> </ul> </li> </ul>	<p><b>USEFUL LIFE</b></p> <ul style="list-style-type: none"> <li>• 25 years average useful life</li> <li>• No significant end-of-life volumes are expected before 2040 considering installed capacity<sup>(1)</sup></li> </ul>	<p><b>NEW LIFE CYCLES</b></p> <ul style="list-style-type: none"> <li>• Current recyclability ~80/85% (steel, aluminum, copper already fully recycled)</li> <li>• Estimated recyclability by 2030 ~90% (improvement in recycling rate of precious materials such as silver)</li> </ul>
<p><b>BESS<sup>(2)</sup></b></p> <p><b>INPUT MATERIALS</b></p> <ul style="list-style-type: none"> <li>• Main materials used           <ul style="list-style-type: none"> <li>- Lithium</li> <li>- Graphite</li> <li>- Iron</li> <li>- Phosphorus</li> <li>- Aluminum</li> <li>- Copper</li> </ul> </li> </ul>	<p><b>USEFUL LIFE</b></p> <ul style="list-style-type: none"> <li>• 15 years average useful life</li> <li>• No significant end-of-life volumes are expected before 2040 considering installed capacity<sup>(1)</sup></li> </ul>	<p><b>NEW LIFE CYCLES</b></p> <ul style="list-style-type: none"> <li>• Current recyclability ~75% (aluminum, copper already fully recycled)</li> <li>• Estimated recyclability by 2030 ~85% (improvements in recycling of cell materials)</li> </ul>

(1) Assessed at the end of 2023.  
 (2) Battery Energy Storage System.

## Circularity in mining and renewable energy value chains

In 2023, the Fondazione Centro Studi Enel (Enel Foundation) developed several initiatives to investigate possible material shortages and what has been called “green inflation”. This term was introduced to describe the rising prices of metals and minerals, such as copper, aluminum, and lithium, which are essential for solar and wind power, electric cars and other renewable technologies. To this end, as part of the collaboration agreement between Enel Foundation and ICMM (International Council on Mining and Metals), the study “Circularity in mining and renewable energy value chains. Technological, policy and financial aspects”<sup>(3)</sup> was developed together with CCSI (Columbia Center on Sustainable Investment). The research focused on identifying the political, legal, regulatory and financial barriers in the mining and energy sector, as well as on the levers and strategies to explore potential circular business models and pathways for energy transition, to be adopted in line with the specific characteristics of the



sectors and various value chains.

The aim of the study was to highlight and disseminate the idea that, in order to eliminate technical and logistical barriers to circularity in solar and wind energy mining value chains, more political and financial support is needed, along with commitment from the sectors involved: from mining and metals companies through to utilities, manufacturers and research institutions. The report therefore prompts these sectors to actively develop strategies that increase the circularity of the critical materials needed for the energy transition.

## Circular economy metrics and targets

In Enel’s journey towards circularity models, metrics have long been a key element in assessing the effectiveness of the solutions to be implemented and in defining a roadmap for improvement (for more information see the [CirculAbility®](#) model). Throughout the years, various indicators and metrics have been developed on the measurement objective, maintaining a joint approach based on both the quantitative analysis of all input and output resource flows, and the dual assessment of environmental and economic impacts.

Specifically, two types of indicators are currently used at the Group level:

- operational indicators, which measure in-depth the impacts of individual circular economy initiatives in both environmental (e.g., assessment of the tons of material recovered) and economic terms (e.g., assessment of the EBITDA generated from the sale of materials for recovery);

- overall performance, which is assessed by decoupling business activities from resource consumption, *i.e.*, maximizing economic value creation (e.g., in terms of EBITDA) or industrial value creation (e.g., in terms of energy produced) of a business activity, while reducing the consumption of fuels and raw materials it requires.

For example, with regard to overall performance appraisal, the **KPI “Improving circularity”** was developed, which measures the reduction (compared to 2015) in the consumption of materials and fuels of the Group’s plants against the energy generated. To extend this assessment not only to generation, but also to the activities of the entire Group, the **Economic CirculAbility®** indicator was developed, which considers the Group’s total EBITDA (in euros) and compares it with the amount of resources consumed (in tons) by the various business activities (both fuels and raw materials) throughout the value chain.

(3) <https://ccsi.columbia.edu/circular-economy-mining-energy>.

# Enel's key circularity initiatives

The Group's action plan focuses on materials identified as priorities, but initiatives are also being pursued on other materials such as plastics, composites, and concrete, which present significant challenges and highlight room for improvement in terms of circularity. Enel's circularity

initiatives cover components for the distribution network, construction and operation of renewable plants (wind, solar, BESS), and products and services for end customers, and focus mainly on three of the five pillars of the circularity model adopted.


## Circular inputs

In the design phase of a product, raw material consumption can be reduced by using circular inputs, *i.e.*, from previous or alternative and more sustainable life cycles, or by optimizing the use of resources.

For components of public lighting systems and for electrical distribution assets such as transformers and poles, mechanisms have been introduced in tenders to promote the purchase of equipment with reduced CO<sub>2</sub> impact, encouraging the use of recycled aluminum and steel. Moreover, storage systems based on non-traditional tech-

nologies and chemistries are being studied and tested (see the chapter on "Innovation").

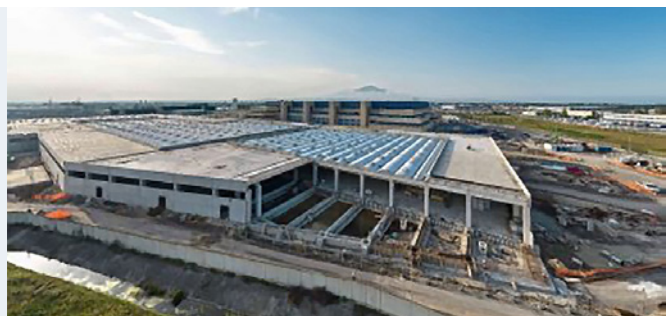
The "Circular by design" approach, on the other hand, allows for integrated action to optimize material consumption and use, and was adopted by Enel Grids as part of the development of the new secondary substation design. Thanks to this approach, a new secondary substation design was developed in 2023 aimed at promoting landscape integration, solutions with lower environmental impact, and modularity (see the chapter on "Innovation").

	BASE METALS	MATERIALS FOR SPECIALIST APPLICATIONS	POLYSILICON	OTHER MATERIALS
	Low-carbon or recycled materials for network assets (e.g., transformers, poles)	New technologies for storage	<b>Technological innovation and efficiency in solar panel production (3Sun)</b>	<b>Use of recycled plastic (charging solutions, Circular Smart Meter)</b>
	Recycled aluminum for lighting poles			New secondary substation design
<b>Sustainable Procurement Strategy</b>				

## Main Group projects in 2023

### TECHNOLOGICAL INNOVATION IN SOLAR PANEL PRODUCTION (3SUN)

The 3Sun Gigafactory project in Catania is moving towards greater independence for the photovoltaic supply chain, not only by bringing cell and panel production to European soil, but also by using innovation to reduce silicon use intensity and aiming for a diversified and sustainable supply chain. Starting in 2024, the new high-efficiency HJT panel will optimize the amount of silicon in modules by using silicon slices that are 15% thinner. Innovations in metallization grids and Electrically Conductive Adhesives (ECAs) in panels are in the pipeline for the coming years, which will reduce silver use by



30% in 2025 and over 60% in the following years. Moreover, there will be a further increase of at least 20% in panel efficiency compared to today, by using a tandem structure which can produce more energy for the same amount of material used in the installed modules.

## SUSTAINABLE PROCUREMENT STRATEGY

With its Sustainable Procurement strategy, the Group aims to improve the sustainability of purchased products in terms of carbon footprint, circularity, and respect for human rights, through whole-life tracking of environmental and social impacts, and mechanisms to select the most virtuous suppliers on these issues. In particular, for the main commodity categories and core components<sup>(4)</sup>, Enel asks its suppliers to disclose the quantities of materials present in the components used by the Group (e.g., metals such as steel, aluminum, and copper), and the respective

recycled and recyclable shares. This information is integrated through certifications such as the EPD (Environmental Product Declaration) – a voluntary certification scheme which provides an integrated view of environmental impacts relating to raw materials, enabling the use of bidding requirements and reward factors to incentivize suppliers to offer increasingly sustainable products (e.g., encouraging the use of recycled material).

Similarly, an *ad hoc* tool was developed for mapping the upstream supply chain, with the aim of assessing potential points of concern regarding human rights compliance (see the chapter on “Sustainable supply chain”)

## CIRCULAR USE OF PLASTICS

Enel’s private and public AC (alternating current) charging solutions use recycled polycarbonate as the main structural material: 100% for Wayboxes and 75% for Waypoles. In 2023 alone, over 3,700 Waypole public charging stations were installed globally, including around 2,000 in Italy, and 88,488 Wayboxes were sold. Thanks to an integrated approach in the design phase, the use of materials (mainly the metal component) for Waypoles was also optimized compared to the previous design, reducing the overall weight of the product by about 32%.

In 2020, production began of the new Circular Smart Meter developed through a circular model with a pathway to redesign the electronic meter value chain using recycled plastic. By 2023, around 2.8 million circular meters were produced with a total consumption of 2,000 tons of recycled plastic. 48% by weight of the new meters are reclaimed materials: end-of-life recyclability (plastic, steel and other metals) is estimated at 79% by weight.

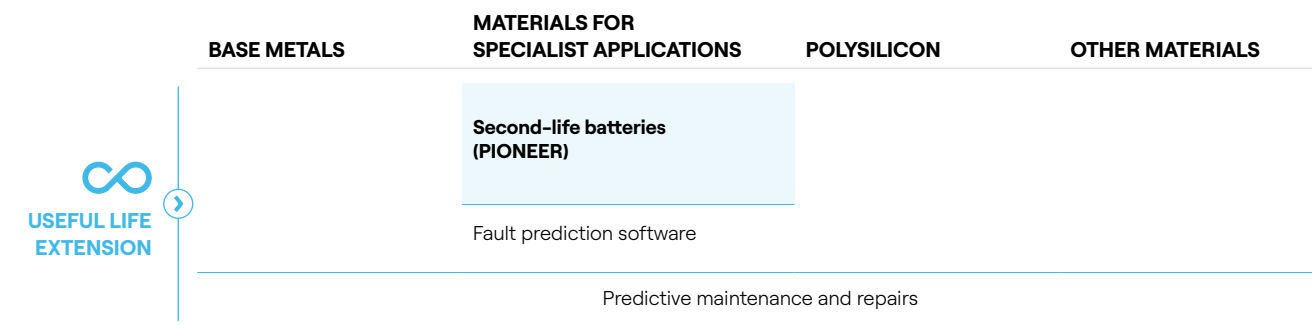


(4) Core categories are those that are strategic to the business, including wind turbines, inverters, smart meters, photovoltaics, switches, switchgear, cables, transformers, charging stations, street lighting, smart home solutions and storage systems.

## Useful life extension

Using an asset for longer reduces the need for new assets and, in turn, reduces the overall need for materials. This is why the Group is always looking for new technological solutions to extend the years of asset operation, while still maintaining performance and efficiency. Various initiatives have been carried out in all Countries for several years

now, including the application of machine learning techniques for predictive maintenance and, more generally, repairs of components used in the grid and in solar and wind power plants. Another example of life extension activities is the development of software for fault prediction within storage systems.



## Main Group projects in 2023

### THE PIONEER PROJECT

With the PIONEER project (airPort sustainability secONd liFE battEry stoRage) in Italy, Enel is collaborating with ADR (Aeroporti di Roma) to develop the design for a storage system to be built at Fiumicino airport, which plans to reuse end-of-life batteries from electric vehicles. In 2023, the system's executive design was completed, for a storage capacity of 10 MWh, which plans to reuse 786 second-life batteries.

The partnership between Enel and ADR also includes the creation of a large self-consumption photovoltaic plant in Europe. The plant will be built in collaboration with Circet SpA, a leading continental infrastructure development company, and will consist of around 55,000 photovoltaic panels placed on a total area of 340,000 m<sup>2</sup>. With a capacity of 22 MWp once fully operational, the plant will generate around 32 GWh of renewable energy per year, saving more than 9,300 tons of CO<sub>2</sub>.


## New life cycles

When an asset reaches the end of its useful life, the goal is to identify solutions that maximize the amount of materials recovered and reintroduce them into new production cycles. All of the Group's various Business Lines are actively involved in major asset recycling projects.

In the photovoltaic sector, Enel – together with other players in the photovoltaic supply chain – is participating as a partner in the Photorama project, funded by the European Union, which aims to demonstrate the technical and industrial feasibility of recycling solar panels by maximizing the recovery of materials including silver, silicon, indium, gallium<sup>(5)</sup>. Also in the wind power sector, Enel is participating in projects at European level to develop new recycling

plants for the recovery of wind blade materials through the generation of secondary raw material that may be used in new industrial processes (see the chapter on "Innovation"). In Chile, some 130 new power distribution poles were built in 2023 using concrete from decommissioned power line poles. The material is processed and used as aggregate for the production of the new poles, thereby avoiding the use of virgin gravel and sand. This way, the new poles have a recycled aggregate content of 45%.

Circular management is also planned for the Group's decommissioned IT assets, including reuse by employees, sale to third parties, or donation for social purposes (see chapter on "Digitalization").

	BASE METALS	MATERIALS FOR SPECIALIST APPLICATIONS	POLYSILICON	OTHER MATERIALS
	Grid mining	Battery recycling		Recycling of wind turbine blades
	New Life program for equipment and spare parts		Recycling of solar panels	IT asset recovery

## Main Group projects in 2023

### BATTERY RECYCLING

Enel is working with specialized partners to develop a battery recycling plant in Spain (with a target capacity of 8,000 tons/year), with the aim of recovering valuable materials such as cobalt, nickel, and lithium. The project involves the construction of an industrial-scale pilot plant for the recycling

of batteries used in the automotive field, near the Compostilla complex – a decommissioned thermoelectric power plant. The innovative system will enable batteries to be recycled through the stages of unloading, dismantling, crushing and sorting of materials, for reintroduction into the production cycles of new accumulators.

(5) <https://www.photorama-project.eu/>.



## GRID MINING

The grid mining strategy aims to review the end-of-life management processes of grid assets with a view to greater sustainability, and to identify practices for recycling and reusing materials to achieve a circular value chain. Grid mining therefore relates to all activities aimed at recovering precious metals and other materials and devices from obsolete infrastructure so as to minimize environmental impacts, maximize social benefits in the area, and create market value.

To ensure comprehensive tracking of materials and facilitate the implementation of the grid mining strategy, a new digital information gathering tool was designed and implemented: the “digital passport” makes it possible to collect and manage data on each type of asset regarding the various types and quantities of materials in use, with the aim



of facilitating recovery opportunities, effectively scheduling grid decommissioning, and maximizing the value of materials. This system is a driving force in the Group’s ambition to open up the “mine” to the outside world, making it available to other production chains, and to feed new markets for secondary raw materials. The aim is to promote development in the local area and save virgin materials, thereby creating new job opportunities in waste material recovery initiatives.

## NEW LIFE PROGRAM FOR EQUIPMENT AND SPARE PARTS

The New Life program aims to give new life to obsolete spare parts and equipment in power generation plants or warehouses across the globe, for all technologies be it conventional or renewable. With a methodology established at global level, the aim is to give a new life to obsolete parts located in power plant warehouses, equipment in decommissioned power plants, and plants undergoing repowering (e.g., wind and hydro plants)



**Daniela Calarco**  
Head of Asset Management  
Agreement & New Life Program,  
Program PM

by identifying the best opportunities for the assets: internal reuse, sale, and ultimately recycling. In 2023, the program brought in around 23 million euros in economic value, with 13.8 million euros in “avoided costs” thanks to the internal reuse of spare parts and equipment at all plants in the global scope. An excellent example of internal reuse was the recovery, from the Montalto di Castro plant, of a 1 GT Rotor that was destined for Chile as a strategic spare to cover 3 plants in the country. Another example is the resale of wind turbine components to the Original Equipment Manufacturer.

*“With the New Life program, we optimize the management of all spare parts and equipment that are no longer used or obsolete in power generation plants, with the goal of giving these assets a new life. We then identify the most appropriate solution, be it donation, internal reuse in other plants, sale in the external market or, as a last resort, recycling to recover useful parts, thereby generating both financial and environmental benefits”*

# ENEL PEOPLE

## SUSTAINABILITY PLAN PILLAR

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



### STAKEHOLDERS

- Enel people



The Group's goal is to pursue people empowerment by promoting active engagement, a sense of responsibility and entrepreneurship ensuring continuous listening and quantitative and qualitative performance appraisals aimed to self-empowerment. Enel supports training with programs to improve existing skills, alongside the constant attention to the upskilling and reskilling plan for Enel people. Specific actions and initiatives are promoted at all stages of women's journey in the organization, with a concrete commitment to overcoming the gender gap and spreading an inclusive culture at all levels of the organization.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS		2024–2026 TARGETS	MAIN SDGs
<b>LISTENING AND ASSESSMENT</b>				
Climate survey <sup>(1)(2)</sup>	100% people involved		100% people involved in 2026	8
	75.6% participants		80% participants in 2026	8
Open Feedback Evaluation - Performance appraisal	100% people involved	🔄	100% people involved in 2026	8
	99% people appraised	🔄	99% people appraised in 2026	8
<b>WELL-BEING</b>				
Overall Global Wellbeing Index <sup>(1)</sup>	60%		>60% in 2026	8
Enel people in remote working	Approximately 36,000 eligible employees	🔄	Target outdated as a consolidated Group-level maturity status on remote working has been achieved.	8

(1) 2023 data refer to the survey conducted in 2022.

(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.

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

ACTIVITIES	2023 RESULTS		2024-2026 TARGETS	MAIN SDGs
<b>TRAINING</b>				
Average training hours <i>per capita</i> <sup>(3)</sup>	<b>48.1</b> hours		<b>&gt;45</b> hours in 2026	<b>4 8</b>
Promoting reskilling and upskilling programs for Enel people	<b>44.8%</b> of training hours dedicated to upskilling and reskilling		<b>40%</b> of training hours dedicated to upskilling and reskilling in 2026	<b>4 8</b>
Supporting dedicated training on digital skills for all Enel people	<b>15.5%</b> of training hours dedicated to developing digital skills <sup>(4)</sup>		<i>Target is considered outdated as widespread awareness has been gained on digitalization</i>	<b>4</b>
Scholarships available for Enel people	<b>132</b> scholarships <sup>(5)</sup>		<i>Activity under review</i>	<b>4 17</b>
Developing a new culture of "Human sustainability" for Enel people	<b>13.1%</b> of training hours dedicated to developing human skills		<i>Target outdated as it has been achieved</i>	<b>4 8</b>
<b>ENHANCING DIVERSITY</b>				
Women in selection processes <sup>(6)</sup>	<b>52%</b>		<b>50%</b> in 2026	<b>5</b>
	<b>26.2%</b> managers (including Top Managers)		<b>&gt;27%</b> managers (including Top Managers) in 2026	<b>5</b>
Women managers (including Top Managers) and middle managers	<b>33.1%</b> middle managers		<b>&gt;34%</b> middle managers in 2026	<b>5</b>
	<b>32.5%</b> managers and middle managers <sup>(8)</sup>		<b>33.5%</b> managers and middle managers in 2026 <sup>(7)</sup>	<b>5</b>
Women in succession plans <sup>(7)</sup>	<b>47.2%</b> in managerial succession plans <sup>(8)</sup>		<b>&gt;46%</b> in managerial succession plans in 2026	<b>5</b>
	<b>50.4%</b> in Top Manager succession plans <sup>(8)</sup>		<b>45%</b> in Top Manager succession plans in 2026	<b>5</b>
Female students involved in career guidance initiatives in the STEM area	Over <b>7,800</b> female students involved		Over <b>19,000</b> female students involved in the period 2024-2026	<b>5 8</b>

(3) Training hours include mandatory and optional training.

(4) 2023 figure lower than the target in the 2023-2025 Plan (equal to 20%). The result was partly influenced by the micro-learning mode, which makes training more flexible, frequent and continuous, involving more people, but with a lower number of hours. Digital skills are also incorporated into other specialized pathways, such as technical and safety processes, where digital skills are integrated into broader and more specific programs.

(5) 115 scholarships per year are provided under effective academic partnership agreements for 2024-2025.

(6) Selection processes involving blue-collar workers or similar technical roles as well as related to the USA and Canada perimeter are not included, due to local regulation that does not permit gender to be tracked during the recruitment stage.

(7) Target included in the Top Management remuneration plan.

(8) Indicator subjected to reasonable assurance.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
Promoting an inclusive culture free of prejudice and harassment	Specific training initiatives involving around 57,000 colleagues have been implemented in Enel's main countries, with the aim of spreading a prejudice-free culture and raising awareness on harassment in the workplace. Specifically: <ul style="list-style-type: none"> <li>training course on prejudice completed by around 49% of Enel people (including around 38% of Managers and Top Managers);</li> <li>training course on harassment completed by around 42% of Enel people</li> </ul>	2 initiatives per year in the period 2024-2026	8 10
Implementation of initiatives on interculturality aimed at promoting awareness and inclusion within the organization	The topic of cross-cultural inclusion has been promoted in <b>9 countries</b> , which have organized dedicated awareness initiatives, talks and impact initiatives relating to different aspects of cross-cultural diversity (race, ethnicity, nationality, etc.) <sup>(9)</sup>	12 countries with active initiatives in 2026	8 10
Disability inclusion - Promoting the inclusion of people with disabilities at all stages of business travel: implementing inclusive travel services (adoption of Global Inclusive Travel: assistance, accompaniment, inclusive and accessible travel services)	<b>88%</b> of Enel people covered by at least one Global Inclusive Travel service	<b>&gt;90%</b> of Enel people covered by at least one Global Inclusive Travel service in 2026	8 10
Diversity and inclusion culture: <ul style="list-style-type: none"> <li>assessment of awareness on D&amp;I topics and perceived inclusion of people in the organizational context;</li> <li>defining a baseline for improving the D&amp;I strategy</li> </ul>	Launch of the first Global Inclusive Survey, which aims to gather the views of all Group people, by surveying – at all organizational levels – people's general perceptions of inclusion, inclusiveness, fairness and non-discrimination, awareness of inclusive behaviors, psychological safety, and the effectiveness of the actions put in place in these areas, and to gather useful insights to make strategies, priorities and project paths in the ongoing pursuit of inclusion.	<i>Target outdated as the survey on D&amp;I topics underwent an extensive listening activity. The survey helped establish the baseline of a Group D&amp;I strategy and related action plan, which may produce more meaningful information to work on and approach</i>	8 10

(9) The initiatives include:  
Italy: intercultural awareness webinar entitled "La Diversità non ha Uguagli" (Diversity Has No Equals);  
Brazil: "USP diversa" project in collaboration with prestigious universities to tackle university dropouts of students of different ethnicities;  
North America: workshop on energy transition and energy sovereignty for indigenous communities;  
Colombia and Central America (Panama, Costa Rica and Guatemala) and Mexico: training course on coaching integration and leadership in multicultural contexts;  
South Africa, Morocco and Vietnam launched a dissemination course on interculturality at work.

# ENEL PEOPLE



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

## 61,055

### ENEL PEOPLE

65,124 in 2022

> -6.2%

## 22.7%

### WOMEN IN THE WORKFORCE

23.4% in 2022

> -3.0%

## 26.2%

### WOMEN MANAGERS (including Top Managers)

24.9% in 2022

> +5.2%

## 48.1 average hours

### TRAINING PER EMPLOYEE

47.4 average hours in 2022

> +1.5%

The profound social, economic and cultural transformations that are characterizing the current era, from the transition to a decarbonized economy to the processes of digitalization and technological innovation, also have significant impacts on the workplace. Companies are therefore increasingly required to be adaptable to change in order to operate with greater flexibility in uncertain, unstable and complex geo-political situations.

Enel's strategy is built on people, the protagonists of change, and on shared values and behavior. An inclusive approach that focuses on the individual in his or her social and professional dimensions is essential to cope with constant change and achieve the Group's objectives.

**There are more than 61,000 people in Enel, belonging to 79 nationalities and speaking 24 languages.**

Strengthening **people empowerment** processes to support the cultural evolution of Enel people, leveraging people's **skills, well-being** and **motivation**, is just as important as developing sustainable and inclusive training and development opportunities and pathways that enhance their set of skills, encourage individuals to take **an entrepreneurial approach**, and draw on the experience available in the organization. These dimensions are closely interrelated, intertwining and mutually reinforcing, enabling the full expression of each individual's potential, with a positive impact on the sense of belonging to the corporate community (fostering involvement, attractiveness and loyalty of people) and on the achievement of the Group's sustainable results.



In order to ensure that the Enel people are prepared to support the energy transition process and **fully grasp evolving customer needs by using their ability to understand the context**, embracing and adapting quickly to change, the training experience focuses on **lifelong learning** throughout their personal and professional lives, as well as on **upskilling and reskilling** strategies. These strategies are essential **for developing the specific skills they need to improve their performance in their current role, but also to prepare for taking on new roles or responsibilities**. To achieve this, in early 2024 a new unit called the “Workforce Evolution” was established, which reports directly to the People & Organization Director and the Global Services Director. Its main aim is to define and implement strategic insourcing guidelines and coordinate activities related to specific training programs and communication campaigns with both internal and external stakeholders. Enel is committed to promoting and enhancing **knowledge, relations and influence** between different cultures, as well as **respect for human rights**. Valuing diversity and individual talents is a fundamental prerequisite for creating an inclusive corporate culture in which everyone can recognize themselves, regardless of race, ethnicity, religion, gender, age, sexual orientation and ability. A distinguishing factor of Enel’s growth is the uniqueness and mix of talents, skills, aptitudes, and the visible and invisible aspects of each person. It is therefore determined to con-

tinue breaking down all forms of bias and stereotypes in order to create a respectful environment free of discriminatory behavior, also by implementing initiatives aimed at listening to employees, as well as communication and awareness-raising activities to address specific topics, inspiring campaigns and events.

The Group is seeking to **redefine its organizational model** in order to improve the effectiveness and efficiency of its processes, making them more resilient and flexible through simplification, streamlining and digitalization.

The People & Organization Function (P&O) defines organizational models and the multiannual people management plan in line with the Group’s strategy. The people selection, management and development processes are governed by specific global and local policies and procedures, published in specific sections on the Company intranet. In order to be able to customize the offer of empowerment, facilitate all phases of personnel management (recruiting, development, training, talent management) and thus set up a decision-making process supported by objective data, the Function has equipped itself with an additional analysis tool, “People Analytics” which, based on quantitative metrics and related statistics and operating through platforms, allows for a real-time assessment of the different demographic clusters, and therefore also generational clusters, that make up the Company.

## Attracting and promoting talent

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

In 2023, the global recruitment plan focused on two main areas:

- identifying key external players to manage the digitalization of networks and the electrification of uses, which are the new pillars of the Company’s strategy;
- strengthening the Company’s internal capabilities by supporting the professional mobility of the Enel people, especially after reorganizing and streamlining the internal structures.

More than 3,800<sup>(1)</sup> people were hired during the year, meeting the targets established in the Strategic Plan and in the new organizational structure.

In order to identify and attract the required profiles, ongoing efforts were made to build relationships with universities and to find increasingly inclusive ways. Among the main initiatives are:

- expanding job postings globally on key external talent attraction platforms such as LinkedIn, Indeed and Glassdoor to improve interaction and support the Group’s employer branding;
- implementing advocacy campaigns focused on the voice and face of the people in the Company, such as “A day as a Colleague”, “Enel People” and “Our People, Our Energy”, to promote a better understanding of the various professions within the Company by sharing their personal stories and experiences at Enel on social media;
- supporting the worldwide implementation of the new application management system by providing training to encourage a data-driven approach to the selection process;
- constant updating of the “Careers” section on enel.com to improve candidate engagement and offering access to content that provides a complete overview of

(1) Fixed-term contracts are used to a limited extent, to cope with peaks in activity or to temporarily replace workers on extended leave (for example, maternity/paternity leave, etc.) and are paid wages at the same level as permanent workers.

the Company and makes it easier and faster to browse through the Group's open positions.

In 2023, all Enel people were also given the opportunity to recommend new external talents and enhance their colleagues' skills by identifying the various professional development paths available (the so-called "**Referral Program**").

The Company has placed great emphasis on fully integrating new recruits through its "**Onboarding**" program, which offers a unique and inclusive experience, providing all necessary cultural and organizational content to ensure a successful start to their journey with the Company.

Furthermore, to improve mobility at work, the **internal job posting** process has been enhanced, as it is a useful tool for meeting the organizational needs and aspirations of Enel people, promoting the diversification of skills and creating increasingly cross-functional profiles. Additionally, in 2023, the internal job posting tool was extended to include new managerial positions in the Group, encouraging full participation of the Company's global workforce. In this perspective, further attention was paid to mapping both hard and soft skills through the **e-profile tool**, which is useful for mapping colleagues' work experience, skills, interests and motivation to change.

## Continuous learning: upskilling and reskilling to enhance people's current capabilities and develop their future skills

| 404-2 |

In today's rapidly changing economic and social environment, there is a growing need for new skills, professionalism, and adaptability. Ongoing training and **upskilling and reskilling** strategies are therefore becoming increasingly essential **for developing the specific skills needed to improve the performance of people in their current role and prepare them for taking on new responsibilities or roles within the Company**. For this reason, Enel has established several technical schools with the aim of developing the transferable and specific skills of each Business Line. In various cases, these schools collaborate with university and academic partners and, where possible, issue globally recognized certifications.

In particular, in Italy, a **First Level Master degree in Strategic and Innovative O&M Management** was offered at the Polytechnic University of Milan for the O&M (Operation & Maintenance) colleagues of the Enel Green Power and Thermal Generation Business Line, aimed not only

at improving the technical skills needed to manage O&M processes, but also at developing digital skills and all the qualities and personality traits that promote effective interaction with others, *i.e.*, human skills.

Additionally, the **Re-Generation** online training project was developed in Italy in collaboration with the International Telematic University Uninettuno, based on a short learning program that helps develop digital skills. After passing the final exam, participants can earn University Credits (CFU) in accordance with the European Commission's ECTS (European Credit Transfer System) standards and with the European Qualification Framework (EQF) (see the dedicated box for further details).

Other important initiatives include the Business Development School run by Enel Green Power and Thermal Generation in collaboration with SDA Bocconi, and the Grid Blue Sky Training Program. Please refer to the table below for details.

PROGRAM NAME AND DESCRIPTION	PROGRAM OBJECTIVES/ BUSINESS BENEFITS	QUANTITATIVE IMPACT OF BUSINESS BENEFITS (MONETARY OR NON-MONETARY)	% OF FTEs WHO PARTICIPATED IN THE PROGRAM
<b>School of Business Development (Enel Green Power and Thermal Generation)</b>  Training and development program for the Business Development (BD) Function of Enel Green Power and Thermal Generation	The program involves 12 countries (Brazil, Chile, Colombia, India, Italy, Morocco, Peru, Romania, South Africa, South Korea, Spain, and the USA) and is aimed at developing the skills needed to achieve the goal set in the Strategic Plan, which is to add approximately 13.4 GW of renewable capacity between 2024 and 2026. Specifically, the program equips participants with the necessary tools and skills to promote innovation, proactivity, and efficiency, while fostering leadership in the search for innovative solutions in decision-making processes within the BD Function of Enel Green Power and Thermal Generation, making it possible to increase market competitiveness (e.g., through Power Purchase Agreements).	The program contributed to the achievement of the growth targets set for 2023, by actively supporting the development of projects across Enel Green Power and Thermal Generation, resulting in a pipeline of 432.6 GW.	100% <sup>(2)</sup>
<b>Grid Blue Sky Training Program</b>  Digital training program for the Enel Grids Business Line in Italy	A four-year project implemented throughout Italy from 2020 to 2023 aimed at driving the transformation of Enel Grids' processes by developing new skills in the field of digital solutions to increase operational efficiency in managing electricity grids. It focuses on four areas: Asset Owner, Asset Operator, System Operator, Customer Engagement.	In 2023, the number of training hours was around 14,800, with roughly 7,000 participants. A relevant metric of the program is the training ROI indicator. It assesses the direct relationship between the specific investment made in this program and the cost savings (in terms of reduced Opex) achieved by developing digitalization solutions. The formula used is ROI of training = (Cost savings achieved - Cost of training program) / Cost of training program). In 2023, the result was 153.	100% <sup>(2)</sup>

**Training involved 94% of the workforce with 3.1 million hours of training, amounting to more than 48 average hours per capita** (more than 47 average hours *per capita* in 2022). Of these, hours dedicated to up/reskilling amounted to about 1.4 million, or 45% of the total, while those dedicated to human skills amounted to about 400,000, or 13%. In 2023, the total cost of training was of approximately 27 million euros, with an average cost per employee of 418 euros.

Approximately 480,000 hours were devoted to digital training, which accounts for over 15% of the total train-

ing hours. This is a slight increase on the previous year (430,000 hours or 14%) with the goal of reaching 20% by 2023. Training was provided primarily through microlearning, which allows it to be delivered more flexibly and frequently, engaging more people while reducing the total number of hours. Digital training is largely integrated with other training courses, such as technical and safety training, and is an integral part of specialized and non-specialized training, therefore helping the Company to effectively address technological challenges.



## POWERCODERS PROJECT

Diversity, in all its forms and manifestations, is an essential value, and training is the enabling factor that accompanies the energy and digital transformation process, as well as offering concrete job opportunities, also through partnerships and

collaborations such as the one launched in Italy with Powercoders. Powercoders is the first computer programming (coding) academy for refugees and other individuals, founded in Switzerland in 2017. It has since expanded to Spain and Italy with the aim of promoting integration, equal opportunities and job placement in order to meet the needs of companies by providing adequately trained IT professionals who are not easy to find on the labor market.

After collaborating for the first time in 2022, which allowed the Company to become an integral part of the project, enabling young people and women

(2) The percentage indicates the number of eligible FTEs for the relevant activity.



who are struggling to enter the world of work to participate, Enel welcomed four of the 25 students who received their certificate and offered them the opportunity to gain work experience through an internship in the Company. One of them went on to secure a permanent job last year, which is what the initiative aims to achieve. Firmly convinced of the value and innovative nature of the project, and driven

by the Group's goals of inclusion, enhancement of cultural diversity, promotion of talent and equal opportunities, it was confirmed that the Company would renew this collaboration and would support the initiative in order to form a new class of students who will be given the opportunity to obtain certification and enter the world of work.

## Innovating with and for people

Enel has continued the initiatives it has developed over the years to strengthen the Culture of Open Innovation globally, with the aim of creating a fertile environment for collaboration and innovation within the Company, promoting and enhancing diversity of thought, which is a key factor for creativity.

Numerous activities have been organized to provide colleagues with skills and knowledge on innovative ways of working, focusing on creativity, idea generation, collaboration, customer centricity and

listening, through courses on emotional intelligence, creative problem solving, agile, design thinking, and lean startups. A large portion of the training was conducted internally with colleagues from the Idea Hubs and Innovation Ambassadors (who voluntarily dedicate part of their work time to promoting innovation at Enel). In 2023, in order to promote creativity and lateral thinking, the Enel Idea Factory project was resumed to support all corporate areas in solving business challenges by applying co-creation methodologies and creative techniques.

## Valuing and enhancing people

In 2023, the process of qualitative and quantitative performance appraisal saw the engagement – as always – of Group people at various levels in a process of exchange and constant discussion that shifted the focus towards the organizational network as a model for growth and self-empowerment rather than pursuing a hierarchical model.

The global evaluation model is the **Open Feedback Evaluation (OFE)**, which encourages constant listening and exchange of feedback on skills acted upon and results achieved, all aimed at enhancing everyone's talent to build a constructive, transparent and no-stone-unturned exchange between people, networks and managers, in full compliance with the Enel Code of Ethics.

The program, which includes all eligible individuals<sup>(3)</sup> in the Group, is divided into two semesters. At the end of each semester, managers and employees will hold discussions. This tool consists of three interdependent dimensions:

- "Talent", which refers to showcasing one's individual skills;

- "Generosity", intended as the propensity to enter into relationships with others, dedicating time to acknowledging talent and getting involved in turn, requesting feedback proactively, thus generating a mechanism of individual and collective growth;
- "Action", *i.e.*, the ability, as assessed by managers, of their staff to achieve professional goals based on those assigned by the manager or proactively proposed by the staff themselves.

In 2023, the following initiatives were continued with the goal of increasing people's value:

- Job Shadowing, Mentoring and Coaching, for raising awareness and expressing talents. The courses conducted enabled people to increase their network of relationships, exchange ideas and points of view and fostered self-learning, inter-culturalism and the sharing of experiences and skills;
- empowerment paths for new managers to help them become more aware of their talents, skills, aptitudes,

(3) Eligible and reachable: those who have a permanent contract and were employed and active in the evaluation period of 2023.

orientations and aspirations, supporting them in taking on more complex organizational roles.

In this context, the same criteria were applied to the annual succession plan for managerial positions, aimed at achieving inclusion and enhancing diversity, taking into account the Group's commitments, with a special focus on gender, thus allowing an increase in the percentage of female successors (47.2% vs 46.1% in 2022 in Management plans and 50.4% in Top Managerial plans vs 50% in 2022).

As part of its commitment to valuing its people, this year the succession process was also extended to key

non-managerial positions up to the CEO-3 level of the organization. This led to growth in the number of "people identified as successors", and *ad hoc* development and training initiatives were implemented, increasing engagement and proactivity.

Out of the many initiatives for successors, a global initiative was reserved for all those under 35 years of age with appointments' pipeline in Top Managerial plans to raise awareness of behaviors and motivational drivers, and to provide a key opportunity for integration and networking among colleagues from different countries.

## Listening and dialogue

2-29

Enel has always been keen to promote initiatives aimed at listening to employees. In 2022, the first **Global Inclusive Survey** was launched to explore, at all organizational levels, the general perception of people's inclusiveness, contextual inclusiveness, fairness and non-discrimination, awareness of inclusive behaviors, psychological safety, the effectiveness of actions taken to address these issues, as well as to gather valuable insights to define strategies and priorities, and planning the steps to take on the road to inclusion (see the section "**Uniqueness and care for innovation and well-being**").

Additionally, **Open Listening**, a global listening channel, was launched at the end of 2023 with the goal of surveying the corporate climate. 75.6% of the Group's employees responded to the survey, providing useful insights into their

mood, well-being and job satisfaction through listening on issues relevant to the Group (including work-life balance, networking, training, diversity and inclusion), with an overall job satisfaction (engagement) rate of 89.6% of those involved.

A further essential element for people in the Company are **People Partners**, people trained in listening and dialogue, able to grasp individual aspirations and integrating them with the organization's needs.

Moreover, 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 the main vector to disseminate the Enel strategy and the objectives identified for the near future.

## Uniqueness and care to ensure innovation and well-being

3-3 | 405-1

Enel believes that paying attention to **uniqueness** and **care** for people are of crucial importance for promoting **well-being**, boosting **motivation**, and driving **creativity** and **innovation**, so as to achieve valuable results for both individuals and the organization as a whole.

In 2023, in addition to placing great emphasis on **listening**, the Company also launched initiatives to promote a culture of inclusiveness at all levels of the organization and to value various aspects of interpersonal diversity.

In 2023, the **Global Inclusive Survey** was launched, with complete anonymity and ensuring freedom of expression for all, to which **48%** of eligible people responded (about 30,000 of respondents out of more than 61,000 people in the Group).

The survey results show **a good level of perceived general inclusiveness** of people, with the average respondent rating this aspect at **4.5 out of 6**, and **87% of people** gave a positive evaluation. They are above average and in descending order: perceived inclusiveness of colleagues, attention to and respect for diversity, inclusiveness of managers, perceived psychological safety, and inclusiveness of Management. Regarding the investigation of the level of attention to and respect for diversity, people also generally expressed above-average and distinctive evaluations for **social support** and **freedom of expression**, regardless of diversity dimensions: people reported that they could easily ask their colleagues for help and that they felt free to express their own opinions, even if they differed from those of others.

One of the key findings from the analysis of the survey data is that **people feel more included and behave in a more inclusive way when they feel comfortable in a psychologically safe environment and are supported through specific organizational actions that can enhance their uniqueness.**

The results of the Global Inclusive Survey will be used to define an action plan aimed at improving inclusion within the organization.

The networks and/or communities within the Group (**Employee Resource Groups – ERGs**), which promote listening and dialogue on various topics related to inclusion and diversity, are playing an increasingly important role: sharing spaces, with a focus on issues such as women's empowerment, parenthood, caregiving, disability, intergenerationality, interculturalism, and LGBTQ+ communities.

Listed below are the main ERGs active in the main countries where the Group operates.

In **Spain**, with Endesa PowerHer, Comunidad LGBTI, Comunidad Diversidad, and Be Talent Employee, issues related to gender, LGBTQ+, disability and age are addressed by promoting a culture of inclusion, free from all forms of discrimination, at all levels of the organization.

In **Chile**, the community Un equipo con orgullo provides

space for discussion with the aim of building a more tolerant, empathetic and inclusive society. The Woman Innovation Lab (WIL) is a network designed to actively contribute to the professional development and leadership of women through innovation.

Several ERGs have been active in **Brazil** for a long time, including Gender community (gender); People with Disability community (disability); Color Energy (cultural diversity); LGBTQI+ community and Generations community (intergenerationality).

In **Mexico** there are active ERGs such as Yin Yang (gender), Anne Sullivan (disability), Chontalli (ethnicity and cultural diversity), Just Be (LGBTQ+), Beyond Generations (intergenerationality), and Parenting (caring), which have held talks on topics such as D&I and psychological safety, and have conducted external visits and held a cross-ERG event involving the Management.

In the **USA and Canada**, five groups regularly address the most relevant issues through meetings, LinkedIn campaigns and newsletters, promoting inclusion and a sense of belonging: cultural and ethnic diversity with Cultural Power, LGBTQ+ issues with Pride in Power, veterans with Proud to Serve, gender with Women EmPower, and well-being with Empowerment and Balance.

## The path to inclusion at Enel

The steps leading up to today began in 2013 with the publication of the **Human Rights Policy** (updated in 2021), followed in 2015 by Enel's adherence to the seven Women's Empowerment Principles (WEP) promoted by UN Global Compact and UN Women and the simultaneous publication of the **Diversity and Inclusion (D&I) Policy**. This policy makes explicit the principles of non-discrimination, equal opportunities, dignity, work-life balance and inclusion of every person, beyond all forms of diversity. In 2019 the **Workplace Harassment** policy was added, introducing the themes of respect, integrity and individual dignity in the workplace in the prevention of all types of harassment, principles that were the basis of the **Statement against Harassment** in the workplace, published on Enel's website in 2020<sup>(4)</sup>. In 2021, the Global **Digital Accessibility** Policy was issued to ensure equal access to digital information and systems.

Governance on the issues of uniqueness and people care is entrusted to a dedicated unit at Holding level, within the People & Organization (P&O) Function, which has the task of defining and implementing initiatives at global level, ensuring the coordination and monitoring of local events and the sharing of best practices. Moreover, at the local level there are specific "Equal Opportunity Committees" in Italy and

Spain, in which the social partners also participate, which contribute to the identification of needs and the proposal of solutions on inclusion issues, while in Colombia, Central America and Peru there are specific Diversity & Inclusion Committees that direct and monitor activities on D&I issues. The growing focus on these issues is also evidenced by the activation of alliances and collaborations with the external ecosystem of associations and networks, which are committed to supporting companies and institutions. In many countries, there are active partnerships with international organizations that operate in different countries and regions or are in the process of internationalization.

In 2023, Enel actively participated in the D&I and Well-being round tables of the **World Business Council for Sustainable Development (WBCSD)** and of **Business for Inclusive Growth**, the partnership between OECD and the coalition of CEOs of companies united by their commitment to tackle inequality of income and opportunity.

Cooperation on cross-cutting issues also continues: Italy is part of the UN Global Compact Network, is associated with Fondazione Sodalitas and is a signatory of the EU Diversity Charter, while Brazil, which is also part of the UN Global Compact Network, collaborates with the Ethos Institute on equity and human rights.

(4) <https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/enel-statement-against-harassment.pdf>.

On gender issues, Brazil, Costa Rica and Colombia are signatories of the WEP (Women Empowerment Principles), Colombia is certified Equipares, the USA and Canada are active in the Target Gender Equality network and the Women's Energy Network, while Italy has participated in the Target Gender Equality Accelerator round tables. In 2023, Chile participated in the Global Compact Chile ODS5 Working Group and worked with the Ministry of Energy on two initiatives: *Energía + mujer*, which aims to increase the presence of women in the energy sector through various actions, such as strengthening women's leadership, and the *Mesa Regional de Género y Energía*, created with the aim of forming alliances and promoting cooperation and coordination to narrow the gap in access to training and

women's involvement in the energy sector.

Enel also supports the internationalization of local associations and networks. In Italy, for example, it is involved in inter-company working groups to expand the scope of action of *Valore D*, of which it is a supporting partner, and of the *Elis Consortium*, which supports the Italian national education system in training young people, with a particular focus on girls and their access to STEM professions. The aim is to help reduce the gender gap and create the new technical and professional profiles needed to make the energy transition fair and inclusive. An initiative with *Elis* was also developed in 2023, with the participation of some Enel women professionals who held orientation sessions in several Italian schools.

## Data-driven inclusion

Spreading the culture of inclusion at Enel also means measuring phenomena to help define precise actions and objectives. As a result, a significant portion of the activities are aimed at the progressive digitalization of D&I-related analysis and reporting processes. A human-centered approach, embodied in the definition of a specific diversity policy regarding the composition of the Board of Directors<sup>(5)</sup> and specific objectives and actions published in the Plan and in the Sustainability Report, approved by the corporate bodies.

Specifically:

- balance the percentage of women in selection processes;
- increase the representation of women managers and middle managers and that of women in management succession plans;
- increase the number of female students involved in STEM awareness initiatives;
- promote projects for the inclusion of people with disabilities at all stages of the employee journey;
- promote the dissemination of a bias-free culture and initiatives that are mindful of intercultural diversity.

The commitment and transparency shown in favor of gender inclusion were confirmed in 2023 by Enel's appearance in the main rankings, ratings and ESG indices:

- the Group of subsidiaries *Endesa* and *Enel Chile* was included for the fourth time in **Bloomberg's Gender Equality Index**, which recognized in particular innova-

tive practices in terms of gender diversity, conciliation and harassment prevention;

- confirmed for the fifth consecutive year as being among the Top 100 companies, and first Italian company of the **Gender Equality Global Report & Ranking of Equileap** for promoting gender diversity, well-being, work-life integration and ensuring a working environment that respects human rights and is free from harassment;
- *Enel SpA* was confirmed in the **Refinitiv LSEG Diversity and Inclusion Index** in first place and *Enel Americas SA* in second place in the industry grouping "Electric Utilities and Independent Power Producers", and *Enel SpA* in 13th place in the Top 100 for initiatives in terms of gender diversity, disability and work-life balance.

In 2023, Spain was once again awarded the "Distintivo de Igualdad en la Empresa" by the Ministry of Equal Opportunities and the "Distintivo de Igualdad" award by the Club de Excelencia en Sostenibilidad. It also received the "Equipos y talent" award, given by the organization to companies committed to promoting women in leadership positions. Additionally, it received the "DCH Up Spain Emotional Salary Award", which is given to companies that take into account the personal, family and professional needs of their employees through adequate remuneration, with a positive impact on productivity and satisfaction.

In 2023, Enel was ranked as the Best Place to Work for Disability Inclusion in North America, earning the top rating in the Disability Equality Index® (DEI®).

(5) In 2018, the Board adopted a specific "Diversity policy of the Board of Directors of Enel SpA": <https://www.enel.com/content/dam/enel-com/documenti/investitori/governance/statuto-regolamenti-politiche/en/diversity-policy-of-the-board-of-directors.pdf>.

## A widespread inclusive culture

Enel has always promoted a culture of inclusion at all levels and in all organizational contexts through extensive communication and awareness-raising activities that focus each year on a specific theme, inspiring campaigns and events.

In addition, to fight prejudice and promote non-discriminatory behavior, the related awareness campaign was relaunched in 2023 in all countries where the Group operates. Specifically, the “Beyond Bias” educational initiative makes it possible to identify the main biases that can be encountered in the workplace. With an ironic approach, the course suggests ways to prevent them, and by the end of 2023, more than **49% of**

**assignees** and about **38% of Managers and Top Managers** had participated.

This is complemented by the educational initiative **Harassment in the Workplace**, which describes several forms of harassment and discrimination related to age, disability and sexual orientation. Since 2022, it has been assigned to the entire corporate workforce<sup>(6)</sup> and has so far involved **42% of assignees**. On the other hand, at country level, there are several initiatives for the prevention of harassment, such as the awareness-raising campaign aimed at blue-collar workers in Brazil.

## The value of generations

In an environment where multiple generations with different expectations, lifestyles, and skills are living together, it is increasingly important to facilitate the exchange of skills and experience in order to create value for individuals, companies, and institutions.

In 2023, an *ad hoc* training course was launched for specific senior figures to facilitate intergenerational exchange on a global scale. Here are the most important initiatives developed on this topic in the different countries.

Italy held the webinar “Siamo persone diverse? Di più. Siamo intersezionali!” (Are we different people? More. We are intersectional!): building on this concept, diversity was addressed across multiple dimensions, combining generations and gender. Re-generation, the free university course for people over

the age of 45, now in its second edition, touches on various topics, from Big Data to the Circular Economy, from law in digital societies to artificial intelligence (for further details see the dedicated box below). The “Nuestros Mayores Valores” initiative continued in Spain, which recognizes the talent of more experienced colleagues, while in Brazil the “Roda de Conversa com Jovens” initiative was launched with the aim of listening to and meeting young people and professionals. Several training initiatives were implemented for students. For instance, in Chile, the “Incorporación de alumnos/as de prácticas” program engaged university and high school students in company internships with senior colleagues. In **Colombia**, young talents followed internal development paths with a focus on soft and technical skills.



### RE-GENERATION

Since 2021, Enel has been offering its senior employees the opportunity to acquire new skills linked to the energy transition, free of charge and during working hours, through short learning programs organized by the International Telematic University Uninettuno. Covering scientific areas related to the digital economy, law in the digital society, and IT and digital technologies, the courses last 8-10 weeks, and students are awarded university credits (CFU) that are applicable to a degree course. In 2023, the subject area of cyberpsychology

was added, and the number of courses increased from 13 to 21 (from digital marketing to e-commerce, from topics of a legal nature to Fintech, as well as big data, Artificial Intelligence, etc.). The target audience was also expanded to include people over the age of 45, instead of just those over 50.

The aims of Re-Generation are to offer professional and academic training (upskilling/reskilling) opportunities in the fields of technological innovation and digitalization in order to narrow the generation gap in frontier skills of the digital society and enhance personal experience.

**Re-Generation** reached a potential audience of approximately 15,000 individuals with at least a high school education. More than 2,000 colleagues signed up for the two editions held in 2021 and 2023. Interestingly, the area that attracted significant interest was cyberpsychology.

(6) Except for the USA and Canada where courses required by local regulations are provided.

## Cultures in dialogue

With 79 nationalities and 24 languages, Enel considers **cultural and ethnic diversity** to be an extraordinary asset and is committed to promoting and enhancing knowledge, relationship and cross-fertilization between different cultures. In order to carry out a comprehensive **mapping** of ethnic and cultural diversity, please note that in most of the countries where the Group is present there are legal and privacy protection constraints that do not allow its collection, while in Argentina, Costa Rica, Guatemala, Panama, Mexico, Peru, South Africa, Canada, Brazil and the USA it is only possible to obtain such information on a voluntary basis. Additionally, in European countries, data privacy laws such as the GDPR prohibit the collection of evidence on this topic. However, in countries such as the USA, Brazil, and Argentina, where it is allowed, a comprehensive study will be conducted in 2024.

Several countries have launched **specific initiatives** in favor of intercultural diversity in its different forms: **Italy** hosted the intercultural awareness webinar titled “La Di-

versità non ha Uguale” (“Diversity has no equal”); **Brazil** initiated the “USP diversa” project in collaboration with the University of São Paulo to address the issue of university dropouts, sponsoring 25 scholarships and internships at Enel for 25 black and indigenous students; and North America held a discussion session to raise awareness among indigenous communities about energy transition and sovereignty. A training course was also implemented in Colombia, Central America (Panama, Costa Rica and Guatemala) and Mexico on integration and leadership in multicultural contexts in the workplace. South Africa, Morocco and Vietnam launched a dissemination program on interculturality in the workplace.

At a global level, a **mentor** is provided to foster the integration of expatriate colleagues in the destination countries. Moreover, the online course **WIRED – Connecting Intercultural Skill** is available to all colleagues to enhance their sensitivity and interpersonal communication, reflect on biases, and strengthen skills that foster intercultural inclusion.

## LGBTQ+ uniqueness

LGBTQ+ issues are receiving increasing attention internationally, and many Group countries have promoted measures, awareness-raising and training initiatives, and communication campaigns to reflect on inclusive language and shed light on stereotypes.

With regard to inclusive measures, Italy grants to same-sex couples in civil marriages parental leave and the system of protections and facilities for parental and care purposes (parental leave for childcare, leave and absences recognized for parents with severely disabled children and in the event of death or severe infirmity of the child). Guidelines are in place in Italy and Chile which establish internal procedures to identify people or roles dedicated to assist the person and define nature and type of support offerer by the Company (administrative, organizational, psychological, etc.).

To promote an inclusive culture, various countries have

also launched a number of initiatives to celebrate days dedicated to inclusion. Spain conducted a targeted communication campaign and hosted a conference featuring a prominent Olympic athlete; Chile enhanced the activities of the ERG Comunidad Energía con Orgullo; Colombia established a multi-company alliance with public and private entities centered around the theme of “Talents without labels” as well as various communication campaigns, including #TalentosQueBrillan and #EmpresasSinSesgos.

Collaborations with external networks have also continued, including REDI (Red Empresarial por la Diversidad e Inclusión LGBTI) in Spain, Parks Liberi e Uguali in Italy, Pride Connection in Colombia, Chile and Mexico, and the Human Rights Campaign in the USA and Canada, to promote an inclusive work environment and value talent regardless of identity, gender expression, and sexual orientation.

## An action plan to overcome the gender gap

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Enel’s efforts to overcome the gender gap and ensure pay equity continue with tangible results through actions and initiatives that influence all phases of the journey of women in the organization: from representation at entry level to empowerment and development in positions of responsi-

bility, paying attention to various relevant moments in life, such as becoming parents and personal or family care, and focusing on the next generation of women who will take on leadership roles in the workplace in a few years’ time.

## GENDER GAP: the action plan, direct and indirect measures

The Board of Directors of Enel SpA consists of **44.4% women**.

The gender gap action plan consists of **measures that directly and indirectly** affect equal pay. In fact, the gradual increase in female representation at different organizational levels is a prerequisite for natural generational exchange and thus for achieving parity in remuneration over time.

**Enel guarantees equal pay for equal roles and seniority for all new managers through internal development.**

- At the end of 2023, women accounted for about **23%** of the Group's entire workforce;
- in 2023, **26.2%**<sup>(7)</sup> of managers were women (24.9% in 2022) and held **27%** of executive positions (CEO-1) (4 out of 15), while **33.1%** of middle managers were female (32.6% in 2022);
- by 2023, the presence of **women in management succession plans** was steadily increasing: 47.2% female successors in management plans and 50.4% in Top Management plans;
- in the past year, the percentage of **women in the Group working in STEM roles** was 20% compared to 21% in 2022;
- selection processes are closely monitored to ensure a fair balance of the two genders in the candidate pools, with a rising trend in the last five years (52% in 2023, +13 pp compared to 2018)<sup>(8)</sup>.

The **Long-Term Incentive Plan 2023** supports these trends by confirming a performance target, with a confirmed weight of 10% of the total, represented by the "percentage of women in Top Management succession plans" at the end of 2025, with the aim of strengthening and giving continuity to a policy of preparing a suitable audience for managerial appointments in the near future. The target curve envisages an entry level of 45% women in Top Management succession plans by the end of 2025, with an over-performance of 50% to ensure gender equity.

The processes for managing succession plans and salary reviews are governed by specific policies, and constant monitoring of remuneration for all positions is carried out. A **dedicated budget** has been allocated beginning 2019 to ensure equal pay for equal work, in cases where a mismatch is found.

For the purpose of equal pay monitoring, the adjusted Equal **Remuneration Ratio (ERR) relative to the total workforce** (calculated as the average of the ERRs of each category weighted by the weight of each category in the total workforce) for the year 2023 is **94.9%**. As for the **ERR of managers**, the overall index was **stable at 81%, in line with previous years**.

**The managerial Equal Remuneration Ratio (ERR) methodology**, which has traditionally been used to verify pay equity between women and men in the managerial workforce, is based on the aggregate average of female managers' pay compared to the average of male managers' pay. In addition to being influenced by the ever increasing number of female managers over the years, whose shorter tenure, taking into account their seniority in the position, affects the average gender pay in the short and medium term, this method **does not allow for certain determining factors to be taken into account, such as the experience and specific skills acquired in the position, as well as the specificities of the various countries in which the Group operates and on which the calculation is based**.

To confirm its commitment to these issues, since 2021 Enel has been participating in the "**Equal by 30**" international campaign promoted by Clean Energy Ministerial (CEM), the initiative whereby various public and private sector organizations have committed to promoting gender equality in terms of pay, leadership and opportunities in the clean energy sector by 2030. Three specific commitments have been made to raising the awareness of an increasing number of girls towards STEM disciplines and professions, fair representation of women in selection shortlists, and growth in the number of women in managerial positions.

(7) Women working in managerial roles (managers and middle managers) in revenue-generating business areas account for 29.1% of the total number of people in these areas, up from 28.3% in 2022.

(8) Selection processes involving blue-collar workers and similar technical roles are not included (as of 2021), nor is the USA and Canada perimeter, due to local anti-discrimination legislation that does not allow gender monitoring at the recruiting stage.

As far as the **parental dimension** is concerned, the global “Parental Program” aims to promote organizational and personal awareness of the culture of parenting and to reconcile personal and professional needs in this phase of life. The program involves a structured interview process between the new parent, the manager, and the People Business Partner, both before and after maternity or paternity leave, as well as a single information point that offers all the information, services, and training initiatives relevant in facilitating a return to the Company. In the various countries where the Group is present, this program is complemented by further local initiatives to support parenthood. Commitment to the promotion of women’s presence has been growing over the years to supporting initiatives that promote the presence of women in study and professional pathways in STEM fields, in conjunction with schools, universities and institutions, to overcome gender stereotypes and disseminate the importance of the technical and scientific culture, increasingly integrated with the humanistic dimension. In 2023, these initiatives involved more than **7,800** female students worldwide, and **over 37,000** in the past seven years<sup>(9)</sup>.

There are also numerous STEM initiatives implemented locally. In **Italy**, the “Back to School” program is now in its second edition: female colleagues with STEM degrees serve as Enel ambassadors, meeting with high school students to promote the value of technical and scientific education. Once again this year, Enel launched a con-

test and offered the winners financial contributions to cover university fees for the first year of enrolment in a STEM faculty. In Italy, STEM Workshops for employees’ children aged 7 to 10 are currently underway: the goal is to introduce them to IT technologies and the basics of programming. Of particular importance in Spain was the implementation of three STEM projects from elementary school to high school: “Desmontando estereotipos”, “Ella te Cuenta” and “Back to school”. The three initiatives are designed to encourage girls to pursue STEM careers in order to foster female talent and bring more women with technical and scientific backgrounds into the Company. In the USA and Canada, the “Girls Belong” in STEM campaign was launched to promote the importance of women in the field of scientific and technological disciplines.

Multiple cultural and managerial development initiatives have also been implemented to support **women’s empowerment**, including mentoring, coaching and shadowing programs, as well as training, upskilling and reskilling courses.

The global observatory of all **gender equality and women’s empowerment** initiatives has allowed the Company to gather best practices for women at all stages of their journey within the organization.

These include, for example, the “Programa Liderazgo Femenino” in Chile, which promotes women’s empowerment, and the “TODAS Plataforma” digital platform in Brazil. The latter is available to more than 2,000 women employees at Enel and provides inspirational leadership content.

## The value of disability

Enel is committed to ensuring the full inclusion of every person, in line with the approach indicated by the relevant UN Convention and with the Enel Valuability® model, according to which inclusion generates innovation and increases the possibility of attracting and valuing people, also transforming processes and products.

The Group employs over **2,000 people with disabilities across various countries**, with more than 75% of them based in Italy.

Enel provides tools, services, working methods and initiatives to create an inclusive working and relational context for all, which allows work activities to be carried out in full autonomy, also thanks to a “**focal point**” for Enel people with disabilities in all countries.

Several global initiatives have been implemented worldwide, such as:

- the extension of **inclusive travel** services to ensure that colleagues with disabilities have an inclusive accommodation and travel experience when traveling for work;

the service is currently available in Italy, Spain, Brazil, Colombia, Chile, Peru and Mexico, covering 88% of the Group’s employees;

- participation in the **Generation Valuable** project promoted by the Valuable500 network with the aim of spreading a culture of inclusion and empowerment of people with disabilities through mentoring meetings between talented colleagues and managers;
- implementation of the “**Accessibility and Design for all awareness**” training course, a global awareness-raising initiative to train and develop an inclusive approach in all business processes and contexts. The course aims to increase awareness among the corporate workforce about the application principles of Design for all, a design methodology for creating spaces, products and services that are accessible to all. Developed in collaboration with the Polytechnic University of Milan, the course consists of six video clips that are available in Italian, English, Spanish and Portuguese on the Company’s training platform.

(9) From 2022, the figure includes initiatives involving only primary and secondary schools.



Last but not least, as noted, Enel North America earned the top rating in the Disability Equality Index® (DEI)<sup>(10)</sup>, an improvement over the previous edition, indicating a growing focus on this topic with several projects currently un-

derway. DEI, a joint initiative of the American Association of People with Disabilities (AAPD) and Disability:IN, is considered the world's most reliable benchmarking tool for measuring disability inclusion in the workplace.

## Hybrid working and well-being

In 2023, more than 36,000 people worked in hybrid modes, alternating between remote working and in-person activities. A transformation in the way work is done began in 2016 and was later extended to a global scale, thanks to the Group's impressive technological evolution. In 2023, the **New Way of Working** experimental agreement signed with the national trade unions in 2022 was further implemented for non-executive employees in Italy.

Under this agreement, on-site working days for so-called "high-synergy" activities are to be alternated with remote working days. In 2023, the Group's other main countries also continued to implement trade union and/or individual agreements regarding hybrid work.

To date there are many flexibility measures active in different countries, as shown in the following table.

	ITALY <sup>(1)</sup>	SPAIN	NORTH AMERICA	LATIN AMERICA <sup>(2)</sup>	OTHER COUNTRIES
PART-TIME >	✔	✔	✔	✔	✔
REMOTE WORKING >	✔	✔	✔	✔	✔
TELEWORK <sup>(1)</sup> >	✔	✔	✔	✔	✔
SEASONAL SCHEDULE >	✔	✔	✔	✔	✔
TIME BANK >	✔	✔	✔	✔	✔
FLEXIBLE TIME >	✔	✔	✔	✔	✔
SHORT WEEK >	✔	✔	✔	✔	✔

- (1) In Italy, teleworking involves working mostly from home, with one or two returns to the office per week. In Latin America, it means working only one or two days per week from home.  
 (2) Argentina (smart working); Brazil (smart working, time bank, flexible time); Chile (smart working, flexible time); Colombia (smart working, time bank, flexible time, short week); Peru (smart working, flexible time, seasonal schedule, short week).

## Caring & Well-being for all

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Enel promotes the value of care in all situations, including contingencies, which an individual may be required to deal with during their working life, defining benefits and ser-

vices that support work-life integration. A few examples of initiatives in the different countries where the Group maintains a presence are provided below.

### The framework and global well-being initiatives at Enel

The year 2023 was a year of significant **development and consolidation** of the Well-being strategy of the Group. The framework defined in co-creation mode in previous years identified eight pillars that influence people's satisfaction with their overall well-being:



(10) <https://disabilityin.org/what-we-do/disability-equality-index/>.

- **psychological well-being**, “feeling comfortable in oneself”;
- **work-life harmony**, the ability to achieve a harmonious balance between the different areas of one’s life;
- **physical well-being**, a commitment to continually care for one’s physical health;
- **social well-being**, a sense of connection and enrichment resulting from belonging to relational networks;
- **economic well-being**, the level of satisfaction with the economic situation of the household;
- **sense of protection**, a sense of security perceived with regard to the occurrence of unpleasant events;
- **ethical well-being**, the level of satisfaction with the value, meaning and purpose of one’s life;
- **cultural well-being**, “feeling encouraged to grow and learn new things”.

These factors, along with the level of perceived stress and the individual’s resilience and coping skills, affect overall perceived well-being and, consequently, motivation and performance. Data is analyzed – and action plans are subsequently developed – by profile (personas: e.g., parents, caregivers, age clusters), as well as by team, Function, Business Line and Countries and Regions. After analyzing the results of the Well-being & Motivation 2022 survey, webinars were held in various countries to share the results, which were coordinated by the Management. In 2023, several global initiatives were also launched in order to improve the well-being of people, teams, and managers within the organization.

Specifically, the “Well-being leaders, Happy teams” project was launched based on an analysis of the perceived level of well-being of teams. The project defined a new intervention mode to support teams with low perceived well-being through dedicated listening sessions and by defining and jointly implementing team **well-being plans**.

To enhance the skills of team leaders and managers in the area of well-being and mental health, an additional project was launched to identify, by observing and listening to the leaders of teams with a high level of well-being, the characteristics and virtuous behaviors that need to be disseminated in the Company in order to strengthen **well-being-focused leadership**.

To promote a culture of well-being and identify

areas for improvement, the first team of **well-being ambassadors** was formed and trained in the Group’s main Countries. An ambassador is tasked with listening to employees, promoting behaviors aimed at achieving well-being, and providing support to those who request it.

In 2023, Enel’s **Global Well-being Program**, accessible through the Company’s portal, was in its first year of full operation. The program aims to raise everyone’s awareness of their own level of well-being by involving them through self-assessment tests, webinars, newsletters, and other dedicated activities. The program is linked to a mechanism that rewards the virtuous behavior of colleagues who regularly participate in the program every six months. In 2023, more than 26,000 employees (43% of Enel people) accessed the program, and more than 4,000 awards were granted worldwide.

At the local level, various services and initiatives are in place to provide tools for personal and family care with a focus on mental and physical well-being.

In particular, **psychological support services** are currently active in Italy, Spain and Portugal, Brazil, Argentina, Colombia, Chile, the USA and Canada, Peru, Costa Rica, Guatemala, Panama, Mexico, and Greece, available free of charge or on a subsidized basis to employees and, in many cases, to their families, covering more than 98% of Enel people. Focusing on the **physical well-being** of people is a priority for the Enel Group. More than 90% of the Group’s employees (Italy, Brazil, Chile and Spain) have preferential agreements with sports center networks. Other countries, such as Colombia, cover the costs of several networks in the country. Additionally, the global CREW project (Enel Cycle, Run & Walk Challenge) was launched to encourage people to take an active role in their sustainable physical well-being. In 2023, CreW reached 18 countries, involving over 3,500 Enel participants who covered six million kilometers by bike or on foot, resulting in savings equivalent to a total reduction of 1000 tons of carbon dioxide emissions.

The new version of the **Health & Well-being Policy**, which promotes prevention and supports healthy lifestyles and behaviors aimed at achieving mental and physical well-being while mitigating risk factors, also incorporates the well-being framework, supporting global initiatives and related indicators.

## Caring & personal well-being

With regard to **vulnerability**, Enel has implemented the “**MaCro@Work Caring** Program”, a global program designed to support Enel people living with chronic illnesses. It is centered around a network of Heart Managers, who are People Partners that volunteer to actively listen to and support their “vulnerable” colleagues. The project provides specific training and is currently active in Italy, Spain, Argentina, Brazil, Mexico and Central America. In 2023, Enel decided to extend the project to those acting as caregivers for a vulnerable family member.

Several countries are addressing the topic of **caregiving**: in Italy, for example, there is a “Master Care” program for caregivers in the Company, which provides support and assistance for Caregivers, a toolkit that gathers existing measures, services and agreements, and awareness-raising activities aimed at parents with sons/daughters who have specific disorders. The goal is to assist them in devel-

oping greater self-efficacy and stress management abilities in various aspects of their daily lives. In Spain, the collective agreement includes measures to promote Work-life balance for individuals facing challenging situations, such as severe illness, and their family members.

**Personal care and well-being** services are available in all countries. In Italy, several projects and partnerships have been established, aimed to promote sharing mobility and reduce dependence on private cars, especially in major cities. These initiatives include public transportation subscription agreements that not only promote environmental sustainability but also offer money saving through financial contributions provided by the Company. As for psychological and economic well-being, for instance, the Canal Você program in Brazil offers a wide range of psychological, legal and financial services and support, which are provided by a network of social workers available 24/7.

## Family caring & well-being

In most countries services and support are provided, including financially, for childcare and focused on motherhood, such as breast-feeding rooms at Enel’s major sites. In Italy, training sessions for **parents** are offered under the “New Parents New Energy” program. The MAAM-CHILD Platform is also active, which encourages people to reflect on parenting experiences so that they can apply them to their work. Family services such as financial support (school book bonus, contributions for kindergarten, schools and university, scholarships and conventions with schools) and “time-saving” services are also available, such as babysitting, care for the elderly, and home support. The MyWelfare program is available for employees earning less than 80,000 euros, which makes it possible to convert the Company’s performance bonus into repayments, goods

and welfare services, resulting in a 35% increase in purchasing power (15% tax savings and 20% additional value offered by Enel) compared to receiving the same bonus in the payroll. In Spain, collective agreements include measures to ensure a healthy work-life balance for future parents.

A number of initiatives are available for the **children** and **families** of employees. In Italy, for example, coding and science workshops are held for the children of employees. The USA and Canada celebrate Family Day: on this day, colleagues’ families are invited to the office to share their working environment and raise children’s awareness of renewable energy. During the summer holidays in Brazil, Peru and Colombia, recreational activities are organized for the children of employees.

## Caring in the organization

With regard to **parental measures**, as a result of the analysis aimed at aligning the minimum duration of maternity leave within the Group, from 2022 all countries have increased the duration of statutory maternity leave to meet the minimum threshold of 80 working days, in accordance with European legislation<sup>(11)</sup>. In 2023, a similar analysis was conducted on paternity leave.

In line with the care approach and to support the parental experience, Enel offers measures in addition to the provisions of local legislation in terms of additional days of

leave and pay, with potential benefits in terms of work-life balance and caring for families.

With regard to **maternity leave**, the weighted average number of weeks of fully paid maternity leave in total for countries that account for over 90% of the global total workforce (Italy, Spain, Brazil, Argentina, Colombia and Chile) is 21.5 weeks, with the minimum offered in Spain (17 weeks).

Enel grants more leave days than required by local legislation in over half of the Group’s main countries. Specifi-

(11) See Council Directive 2010/18/EU of March 8, 2010: <https://eur-lex.europa.eu/legal-content/IT/TXT/?qid=1414661428912&uri=CELEX:32010L0018>.

cally, the USA, Canada, Panama, Australia, Japan, Germany, Taiwan and New Zealand have supplemented the statutory leave duration to reach the minimum threshold of 80 working days, in accordance with European regulations. Besides complying with local laws, Brazil, Argentina, Colombia, Mexico, Guatemala, and Morocco offer an additional number of days equal to more than 30% of the total. In terms of good practices supporting a healthy work-life balance and motherhood, many countries (Colombia, Peru, Mexico, South Africa, Ireland, France, the UK, Morocco, Germany, Greece, and Vietnam) offer more flexibility and dedicated remote working solutions.

In terms of salary, where the total remuneration or part of it is not guaranteed by local laws, Enel bridges the gap to reach 100% coverage. This is the case in Italy, Colombia, Panama, Guatemala, South Korea, Australia, the UK, Japan, Costa Rica, Morocco, Canada, Taiwan, and New Zealand, while in all other countries, remuneration is already 100% guaranteed by law. In Italy, Enel guarantees 100% coverage compared to the 80% required by law for the five months of compulsory leave.

As for **paternity leave**, the weighted average number of weeks of fully paid paternity leave in total for countries that account for over 90% of the global total workforce (Italy, Spain, Brazil, Argentina, Colombia and Chile) is 5.5 weeks, with the minimum offered in Chile (1.2 weeks).

Enel provides additional leave days in certain countries (Italy, Spain, Brazil, Argentina, Colombia, Chile, Peru, India, Mexico, Panama, Guatemala, Ireland, the UK, Costa Rica, Morocco, Canada and Vietnam) and additional salary (in Costa Rica, Guatemala, Mexico, Panama and the UK). Enel covers any pay gaps guaranteeing 100% pay, and in all other Group countries, remuneration is already 100% guaranteed by law.

Specifically, in Italy, a trade union agreement grants working fathers an additional 10 days of fully paid leave as of 2023, in addition to 10 days (20 days for multiple birth) of statutory leave.

In terms of **parental leave**, the measures offered vary greatly from one country to another. In Italy, the law provides for 10 months of parental leave, shared between the mother and the father, to be taken before the child turns 12; if the father takes at least three months, it is increased to 11 months. Enel's collective bargaining agreement has increased the allowance provided for by law, recognizing 90% for the first month (to be taken before the child turns 6 years old), 60% for 2 months (or 3 months, if the first month is not taken before the child turns 6 years old), which is non-transferable, due to the mother and father respectively, and 45% for a further 3 months, to be taken alternatively by the parents (in 2023, the law provides that 80% will be paid for the first month and 30% for the following months, while in 2024 80% will be paid for the first 2 months).

In 2021 in Italy, the Company introduced new measures to support parenthood for same-sex couples in civil partnerships who care for children, and in Peru health insurance coverage was extended to same-sex couples living together for a minimum of 2 years.

Additional parenthood-related leave and permits are recognized in Italy. In order to deal with particularly serious personal or family situations and to show solidarity, Enel's collective bargaining agreements allow employees to transfer leave or rest periods (solidarity leave) to colleagues within the same company in order to provide assistance to children, parents, spouses, civil partners or common-law spouses who require constant care or who are facing very difficult personal or family circumstances. Furthermore, the trade union agreement stipulates that when colleagues donate leave days, the Company will provide additional paid leave. In Spain, it is also possible to take advantage of daily flexibility adapted to the temporary needs of the worker, in the form of a temporary change in working arrangements, reductions in working hours and leave for family care.

# Supplementary healthcare assistance and additional pension coverage

3-3

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 periodical check-ups (see the chapter “Health and safety of people”).

For all Italian employees and their dependent family members, in agreement with the trade unions, in 1997 Enel set up the Supplementary Healthcare Provision for Enel Group Employees (FISDE), which 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, etc.) and sets up preventive medicine programs at Enel’s sole expense. Also in 2022, 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 a membership fee.

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.

Supplementary pension coverage for Italian employees is provided through the FOPEN and Fondenel pension funds, which are financed through contributions, also paid by Enel.

The largest pension funds are in Italy, Spain and Brazil. The Plan de Pensiones de los Empleados del Grupo Endesa is currently active in Spain, while Brasiletros – Fundação Ampla de Seguridade Social, VIVEST – Fundação CESP de Seguridade Social, and FAELCE – Fundação Coelce de Seguridade Social are currently active in Brazil.

**As at December 31, 2023, 87% of employees were covered by the Enel Group pension plan.**

## The level of coverage of non-salary benefits<sup>(12)</sup>

201-3

The analysis concerns the entire Group workforce, showing a high percentage in terms of access to the main benefits.

Below are the main support initiatives and the extent of their coverage of the Enel workforce.

Non-salary benefits 100% Enel Countries	2023	2022
Life insurance	99%	89%
Medical insurance	99%	94%
Pension Fund Membership	87%	81%
Additional parental measures (maternity, paternity and parental leave)	99%	94%
Meal allowances	89%	89%
Child support initiatives	95%	84%
Loans	96%	90%
Leisure and cultural initiatives	98%	87%

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

# Industrial relations

| 2-30 | 3-3 | 402-1 |

Enel complies with **the labor law in force** in the various countries in which it operates, with the fundamental principles of the **United Nations Universal Declaration of Human Rights** and with 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 employer and worker organizations** and seeking a **broad level of agreement and sharing** of corporate strategies by employees.

Industrial relations activities at Group level continue to be conducted in accordance with the model laid down in the **Global Framework Agreement (GFA)** signed by Enel in Rome in 2013 and renewed in 2023, with the Italian Federations in the sector and the global unions IndustriALL and Public Services International, and which is still considered a benchmark best practice for European and non-European multinationals. The agreement is based on international human rights and business principles and is inspired by the best and most advanced transnational industrial relation systems of the reference multinational groups and institutions on the international level, including the ILO. One of the particularly significant principles of the GFA is that of remuneration, whereby the minimum payment made to Group employees cannot be lower than the level established by the collective bargaining agreements and applicable laws and regulations in force in the various countries in question, in accordance with the provisions of the relevant ILO conventions.

With regard to remuneration, Enel recognizes the importance of stable and reliable employment, and adopts and promotes decent working conditions, as defined by the ILO as "productive work that provides a decent income, ensures job security and the provision of social protection services for workers and their families, allowing people to freely express their concerns, organize themselves and participate in decisions that affect their lives" (ILO Recommendation Employment and Decent Work for Peace and Resilience, 2017 no. 205). The Parties undertake to take measures to remove all obstacles to achieving full equal opportunities and equal treatment. The Parties undertake to ensure that all workplaces are free from discrimination and harassment. The principle of equal pay is also indicated by the Group's Human Rights Policy, which stipulates that all those who work along the entire value chain are entitled to remuneration in line with the principle of fair compensation for work, of equal pay between male and female labor for work of equal value, and stresses that minimum wages are guaranteed, which are not less than

those established by collective agreements and current legislative and regulatory treatments of reference in force in different countries, as established by ILO conventions. In addition, the Code of Ethics also expressly provides that upon the establishment of the employment relationship, each employee will receive accurate information relating to characteristics of the role and duties to be performed, and to regulatory and remuneration elements according to the principles set out above. This information is presented to the employee in such a way that acceptance of their position is based on an effective understanding and awareness not only of their duties, but also and above all of their rights (enshrined in the aforementioned collective agreements). As well as serving as the basis of the regularity of contracts, this approach enables the Group to operate fairly at all levels of the Company and in all the Countries and Regions which Enel is present.

In Enel **there are no limits to freedom of association**. As indicated by the GFA and the Human Rights Policy, Enel recognizes the right of its workers to form or take part in labor organizations established to defend their interests, and to be represented within the various work units by trade union bodies or other forms of elective representation, in accordance with the laws and practices in force in their place of work. Enel acknowledges the value of collective bargaining as the preferred instrument to establish contractual conditions for its workers and to regulate relations between Company management and trade unions. The Company maintains a strict policy of neutrality regarding workers' decisions to join or not join a trade union and which trade union they choose. It also recognizes trade unions as representatives of the Company's workers in accordance with national legislation. Where local and international standards differ, Enel applies those that best protect workers' rights. Finally, Enel is committed to ensuring that workers' representatives are not discriminated against as a result of their representational activities. The Company rejects any form of discrimination based on trade union affiliation or activity with regard to recruitment, remuneration and career advancement, which must be based solely on ability and merit. The Human Rights Policy also states that **collective bargaining agreements** are the preferred instrument to establish contractual conditions for its employees and to regulate relations between senior management and trade unions. **In 2023, the percentage of employees covered by collective bargaining agreements was about 91%, in line with the previous year.**

At European level, the **Agreement on the Enel European Works Council** of 2016, extended in 2022 and current-

ly being re-negotiated, is confirmed as one of the most advanced agreements in the EU electricity sector for its focus on bilateral issues such as occupational health and safety, training and diversity.

Enel and the domestic and European federations (Indus-triAll Europe and the European Public Services Union) have transferred their consolidated experience of social dia-logue to the **Sectoral Social Dialogue Committee of the electricity sector**, established at the EU Commission – DG Employment – regarding the employment impacts of the energy transition and digitalization in the coming years in all European and global electricity companies.

First with the Italian trade unions and then with those of

other countries where the Group is present, Enel has also signed an agreement, the **Charter of the Person**, to pro-ject individuals in their work, personal and social spheres. The document not only outlines new guidelines in indus-trial relations, but more generally reaffirms the centrality of people, starting with their well-being and motivation, guaranteeing quality training in terms of self-learning and high safety standards, rooted in the responsible approach of all.

In the event of **organizational changes**, timely disclosure to trade union representatives is required, as indicated below:

COUNTRY	MINIMUM PERIOD	LEGAL PROVISIONS/COLLECTIVE AGREEMENTS
ARGENTINA	In view of the general provisions of the law and, in analogy, a minimum period of 48 hours will be taken into account for the purpose of notifying any amendment of the essential conditions of the employment contract	There are no legal requirements or provisions in collective agreements
BRAZIL	It is convention and practice to provide "timely" information	There are no legal requirements or provisions in collective agreements
CHILE	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	
COLOMBIA	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	
ITALY	The industrial relations protocol provides for the prior involvement of trade unions on the main organizational changes in order to share the objectives and manage their implementation. The trade union dispute should not last more than two months. If a Company/branch of the Company is transferred, trade unions need to be informed at least 25 days before the transfer agreement is finalized	Industrial Relations Protocol July 17, 2012 (section 9) Art. 47, Law no. 428/90
PERU	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	
ROMANIA	Obligation to inform and consult workers' representatives on the Company's development and to inform them periodically about the Company's economic situation. Disclosure to and consultation with employee representatives regarding the recent and likely development of the Company's business and economic situation. Information and consultation of workers' representatives on decisions that may entail significant changes in work organization, contractual relations or labor relations, including but not limited to transfers within the Company, acquisitions, mergers, collective redundancies, closure of production units, etc.	Legal provisions and collective agreements
SPAIN AND PORTUGAL	30 days	Provided for in the Collective Agreement and the Framework Guarantee Agreement of Endesa SA and its subsidiaries in Spain

# SUSTAINABLE SUPPLY CHAIN

## DOUBLE MATERIALITY



**MATERIAL TOPICS:**  
• Sustainable supply chain

## SUSTAINABILITY PLAN PILLAR



**STAKEHOLDERS**  
• Suppliers

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Enel is working toward an increasingly sustainable supply chain, focusing on decarbonization, circularity of materials, and respect for human rights at all stages of its procurement process.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
<b>RESPONSIBLE MANAGEMENT OF THE PROCUREMENT OF GOODS, SERVICES AND WORKS</b>			
Qualified suppliers assessed for health and safety aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	<b>100%</b>	Target outdated as it has been achieved	8 12
Qualified suppliers assessed for environmental aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	<b>100%</b>	Target outdated as it has been achieved	12 13
Qualified suppliers assessed for human rights or business ethics aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	<b>100%</b>	Target outdated as it has been achieved	12 16
Value of coverage of tenders with “sustainability Ks” (% of tenders with “sustainability Ks”/total tenders)	<b>97%</b>	Target outdated as it has been achieved, given also the increased focus on the application of sustainability requirements gradually replacing the specific reward Ks	12
Value of tenders covered by mandatory sustainability requirements	<b>52%<sup>(2)</sup></b>	<b>&gt;55%<sup>(3)</sup></b> in 2026	12
Value of supply tenders covered by ranking/target based on carbon footprint values	<b>76%</b>	<b>&gt;70%</b> in 2026	12 13
Value of supply contracts covered by Carbon Footprint certifications (EPD, ISO CFP)	<b>66%</b>	<b>68%</b> in 2026	12 13

(1) The percentage is calculated considering the total number of suppliers with valid qualification at the end of the year and does not include large players and subsidiaries of related industry groups. Rounded values.  
 (2) Mandatory requirements in addition to basic contractual clauses regarding health and safety, environment and human rights.  
 (3) Target has been redefined to include all supply and site-related tenders (wind, solar and primary substations) launched during the year, whether awarded or in progress.

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan



# SUSTAINABLE SUPPLY CHAIN



| 2-6 | 3-3 | 204-1 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1 |

**66%**

**SUPPLY CONTRACTS FOR WHICH CARBON FOOTPRINT CERTIFICATIONS MUST BE SUBMITTED (% OF TOTAL)**

62% in 2022 → **+6.5%**

**76%**

**SUPPLY TENDERS WHERE CARBON FOOTPRINT TARGETS HAVE BEEN APPLIED (% OF TOTAL)**

68% in 2022 → **+11.8%**

Around **8,300**

**NUMBER OF QUALIFIED SUPPLIERS WITH A CONTRACT ACTIVE AT THE END OF 2023**

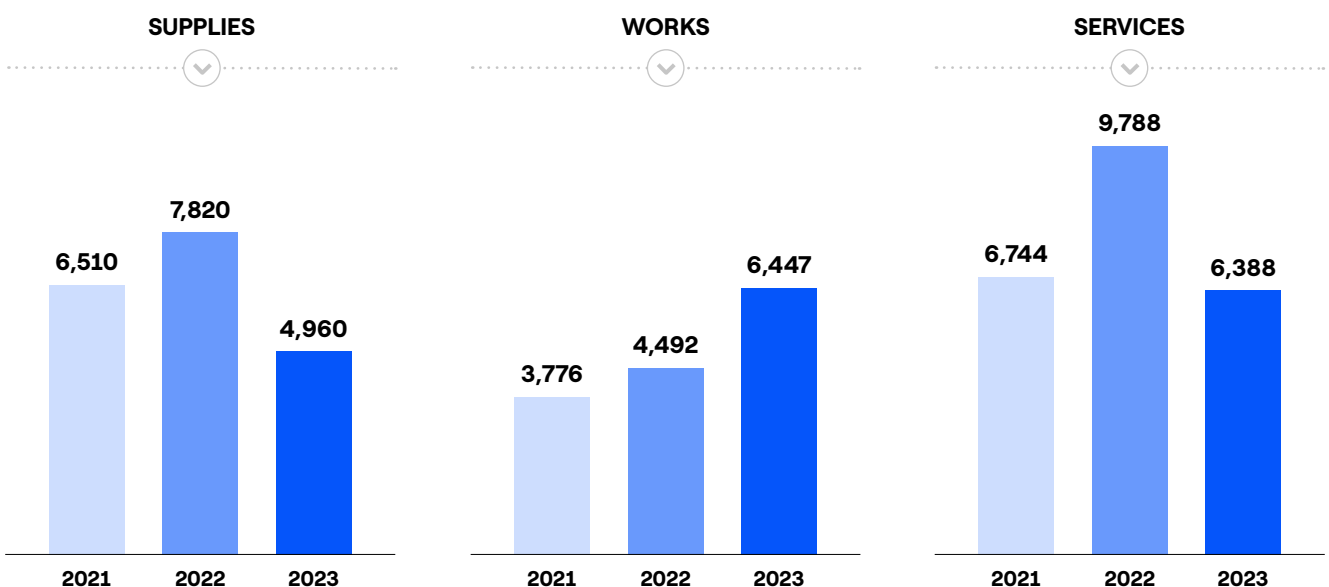
around 9,400 in 2022 → **-11.7%**

The transformation of the energy system, alongside the digital revolution, entails changing and evolving the way works are performed and how goods and services are supplied. It also means suppliers are essential partners to achieve sustainable progress across the entire context in which the Company operates.

Enel requires that suppliers not only operate in compliance with applicable laws and authorizations, but that they also commit to adopting best practices in terms of governance, ethics, human rights, health, safety and the environment, in line with the Group's strategy, some of its

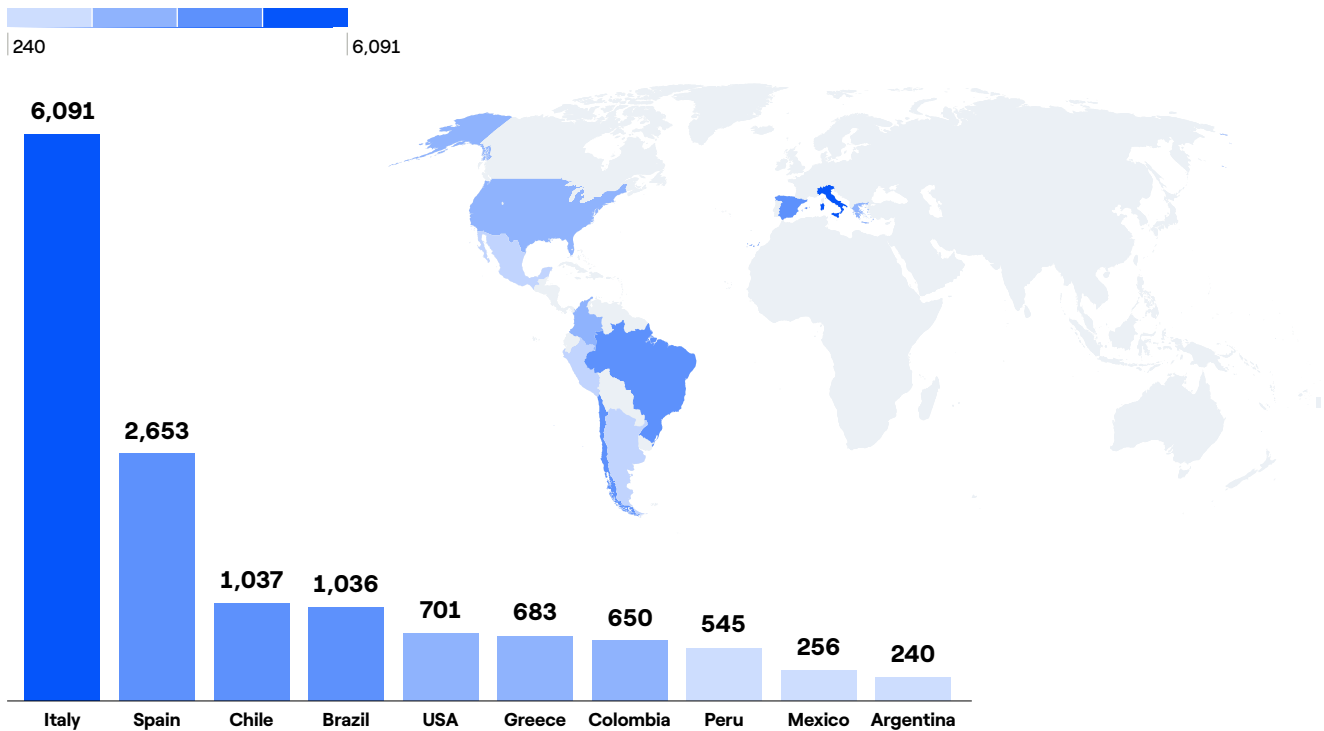
codes of conduct (the Human Rights Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan approved by the Enel SpA Board of Directors) and its global compliance programs. Enel works with suppliers to maximize the economic, productive, social and environmental benefits of the transition and strives to create sustainable, innovative and circular processes to mitigate the impact generated by its activities through efficient use of resources, technological innovation and proper waste management, mindful of the need to prevent pollution and reduce energy consumption and emissions, including gas emissions.

## PURCHASES AND TENDERS FOR GOODS AND SERVICES SUPPLIES, WORKS AND SERVICES CONTRACTS (mil euros)



## TOP 10 ENEL SOURCING COUNTRIES

no. of suppliers



The countries shown in the chart represent the locations of suppliers with active contracts.

**In 2023, the total for works, services and supply contracts amounted to over 18 billion euros, of which about one half in Italy, followed by Spain, Chile and Brazil.**

Together with suppliers, Enel works to define new metrics and to promote co-innovation projects in the perspective of a decarbonization and circular economy pathway, which should have positive impacts on both power generation processes and purchasing methods. Specifically:

- **Product Carbon Footprint (PCF) certifications**, including the Environmental Product Declaration (EPD) and the ISO PCF, are sought from suppliers in the core categories<sup>(1)</sup>, with the aim of objectively quantifying, certifying and communicating the environmental impacts generated throughout the life cycle of supplies. Certified data enables Enel to measure emissions along the entire supply chain, supporting the Group's decarbonization pathway;
- as part of its tendering process, Enel sets **increasingly challenging reduction targets** on core supply categories, which also take into account the contributions of innovation. These targets are shared with suppliers

and are in line with the Paris Agreement, which calls for a less than 1.5 °C temperature increase containment path. In line with the digitalization process, a tool has also been developed to calculate, both on a daily basis and automatically, supply chain emissions (Scope 3 upstream) and projected reduction curves to 2030 and 2040 (see also the box dedicated to the "GoZero Dashboard");

- **a responsible supply approach** to energy commodities is encouraged, with suppliers asked to adhere to the principles to which Enel is committed (the Human Rights Policy, the Code of Ethics and the Zero Tolerance of Corruption Plan).

In the bidding processes for core commodity categories Enel requires suppliers to **declare the quantities of each component material in the product**, including recycled and recyclable materials. The acquisition of this information allows suppliers to be rewarded based on their recycling capacity, thereby stimulating a circular culture and reducing potential ESG impacts associated with pressure on materials and technologies critical to the transition, en-

(1) Core categories are those that are strategic for the business including wind turbines, inverters, smart meters, photovoltaics, switches, panels, cables, transformers, electric car charging points, street lighting, smart home solutions and storage systems.

environmental degradation associated with their extraction and processing, and carbon emissions arising therefrom.

Also with regard to the core categories, in the tender phase suppliers must fill out a form through which they **map the geographical areas of extraction and production of raw materials** involved in the supply of the product being tendered, all backed up by relevant documentation.

A tool has also been developed which, on the basis of data from the literature and information also acquired through interviews with suppliers, arrives at an initial identification of **potential human rights issues**, so as to better guide strategic sourcing choices (see also the dedicated box entitled “Assessment of potential human rights issues in the supply chain”).

## Supplier management and assessment processes

### 3-3

In addition to ensuring the necessary quality standards, supplier performance must go hand in hand with a commitment to adopt best practices according to the highest sustainability criteria. The criteria underlying procurement practices are reviewed periodically to ensure their alignment with conduct policies (including the Human Rights

Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan and global compliance programs) and evolving ESG requirements relevant to the Group. Analysis and monitoring activities are also carried out throughout the procurement process.



## Supplier qualification system

Enel has adopted a qualification system to identify suppliers who meet the requirements necessary to cooperate with the Group. Supplier qualification is organized by commodity categories called Product Groups (PGs)<sup>(2)</sup>. Taking into account its own business, each company can undertake a qualification pathway for one or more PGs, selecting the countries in which to supply goods and services. The assessment process varies depending on the level of risk (high, medium or low) associated with the PG for each issue (technical, safety, environmental, reputational aspects, etc.). In addition, regardless of the risk level of PGs, checks are carried out on the following aspects:

- **legal/reputational.** In addition to compliance with the

relevant laws and regulations, suppliers are required to adhere to the principles to which the Company has committed itself with its Human Rights Policy, its Code of Ethics, its Zero Tolerance of Corruption Plan and its global compliance programs, with specific reference to the absence of conflict of interest (including potential);

- **economic-financial.** These audits aim to assess the economic and financial viability of suppliers based on an analysis of their financial statements;
- **sustainability.** Completion of a questionnaire on all sustainability topics is required, specifically:
  - **health and safety:** the “Safety Self-Assessment” is required, as it informs suppliers in a straightforward

(2) Product Group (PG): specific category of goods/works/services that Enel purchases. The qualification process and related verifications that Enel carries out vary depending on the level of risk associated with each PG. There are 4 risk components: technical, safety, environmental, and reputational. The risk of each component is assessed according to type of goods/works/services (and related activities) and the country context.

way of the fundamental requirements on which to work and grow together;

- **environment:** on a scale of 1 to 3 (1=worst; 3=best, respectively), different environmental criteria are evaluated depending on the relevant PG and its associated level of risk;
- **human rights:** through the use of a questionnaire regarding how the supplier manages labor practices (such as rejection of forced or child labor and respect for diversity) and community relations (local, indigenous and tribal peoples).

With regard to health, safety and environmental aspects, for the highest risk PGs, an on-site assessment at the supplier's premises or worksites is always required, an activity performed partially through outsourcing.

If the outcome of these analyses and assessments is positive, individual suppliers can qualify and be added to the Supplier Register for 5 years and then be invited to participate in the Group's procurement procedures. Enel monitors the maintenance of qualification requirements throughout the period of inclusion in the Supplier Register. Should it be found that even one of the requirements

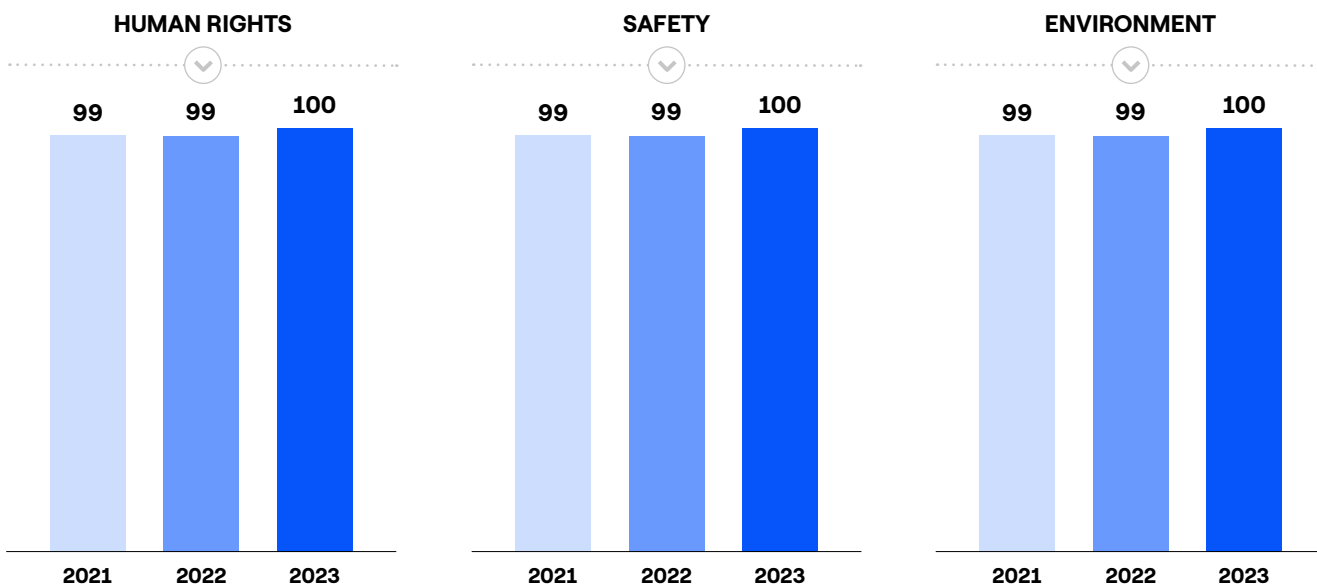
has been lost, the supplier's qualification status will be temporarily suspended for the period necessary to carry out the appropriate investigations that may lead either to readmission to the Register or revocation of the qualification.

Evaluation of the actions described above is the responsibility of the **Qualification Commission**, which is present in all major countries, is in charge of assessing requests for qualification, as well as possible suspensions, and of examining proposals for changes to the technical qualification requirements and Product Group tree made by Business Lines.

**As of December 31, 2023, 100% of qualified suppliers were assessed according to social, environmental and safety criteria. The total number of qualified suppliers with a contract still active at the end of 2023 was about 8,300 (more or less 60% of active suppliers as of December 31), while the total number of active qualified companies was approximately 35,332.**

The following table shows the trend in the qualified suppliers' percentage for the three aspects analyzed by process.

## % QUALIFIED SUPPLIERS FOR SOCIAL, ENVIRONMENTAL AND SAFETY ASPECTS AS AT DECEMBER 31



## Tendering and contracting processes

Consistent with its commitment to introduce sustainability aspects into the tendering processes, Enel adopted a structured process for defining sustainability “**requirements**” (the conditions necessary for a supplier to participate in the tendering process) and **sustainability “Ks”** (optional factors whereby a score/prize is awarded to the supplier who possesses them) that can be used by the various purchasing and monitoring units throughout the entire life of the contract.

The process includes two “**Libraries**”, in which all “sustainability requirements and Ks” are catalogued, grouped into the macro-categories of certification, environmental and circularity aspects, such as waste management and carbon footprint assessments according to UNI EN ISO 14067:2018, as well as social aspects, such as training and employment of people from local communities and actions to respect gender diversity.

These are periodically updated within a cross-functional working group dedicated to sustainability and circularity issues and which takes into account market maturity and new corporate strategies.

During the tendering process, the supplier may decide to take on additional obligations by accepting the sustainability requirements and Ks applied in the tender, the monitoring of which is carried out during the term of the contract.

**In relation to the issue of human rights**, a new sustainability requirement inherent in the supply chain mapping of core product categories was introduced in the Library in 2023. Through the implementation of this requirement, during the bidding phase suppliers are asked to complete a mapping sheet of the potential supply chain involved in the supply being tendered, reporting, for each individual material or component identified (tier), information on the countries of extraction or production.

**As for the path to Net Zero**, a key role is to be attributed to the application at the bidding stage of CO<sub>2</sub> targets aligned with the curves certified by SBTi (Science Based Targets initiative). Specifically, a model was developed during 2023 which, having set the CO<sub>2</sub> price, promptly identifies the percentage value of the K to be applied to the supplier's bid depending on the positioning according to the target of the different suppliers.

As regards **contractual aspects**, Enel has defined specific clauses which are updated periodically in all works, services and supply contracts so as to take into account different regulatory adjustments and align with international best practices.

The General Terms and Conditions of the Contract stipulate that suppliers, subcontractors, sub-suppliers, third

parties and the entire supply chain involved comply with the applicable wage, contribution, insurance and tax regulatory conditions with respect to all workers employed in any capacity in the performance of the contract. In addition, compliance with the principles set forth in the International Labour Organization (ILO) Conventions and legal obligations regarding the protection of child and women's labor, equal treatment, prohibition of discrimination, abuse and harassment, freedom of trade unions, association and representation, rejection of forced labor, safety and environmental protection, and sanitary conditions are explicitly required. In the event a conflict between the above legal obligations and the ILO Conventions, the more restrictive rules shall prevail.

The clauses further stipulate that suppliers, subcontractors, sub-suppliers, third parties, and the entire supply chain involved, must commit to prevent all forms of corruption (Art. 29.1.5 of the General Terms and Conditions of the Contract).

In addition to the legal provisions, the contractual conditions require that suppliers:

- recognize the “ten principles” of the United Nations Global Compact and declare that they manage their business activities and operations in order to meet these fundamental responsibilities in the fields of human rights, labor, the environment and the fight against corruption (Art. 28 of the General Terms and Conditions);
- acknowledge the commitments Enel has made in the principles listed in the documents below and refer to them in the execution of the contract: the Human Rights Policy, which includes a principle related to respect for the environment and biodiversity; the Code of Ethics, in which the value of fair competition is also promoted through abstention from collusive, predatory behavior and abuse of dominant position; Zero Tolerance of Corruption Plan, and global models of criminal risk prevention (Art. 29.1.1 of the General Terms and Conditions of the Contract);
- adopt suitable conduct to avoid the emergence of conflicts of interest throughout the duration of the contract and undertake to notify Enel promptly in writing if any such circumstances arise (Art. 29.2 of the General Terms and Conditions of the Contract).

Enel reserves the right to carry out any **control and monitoring activity** to check compliance with the obligations set out above by both the supplier and any of its sub-contractors, sub-suppliers, third parties of the contractor and the entire supply chain involved, and to terminate the contract if violations are ascertained.



## GOZERO DASHBOARD

As a result of the new GoZero Dashboard, it is now possible to automatically calculate supply chain emissions (Scope 3 upstream) and projected reduction curves to 2030 and 2040. This is done on a daily basis from the base year order data and unit emission factors that Enel's suppliers report during tendering or contract execution. Based on needs, the

tool enables the filtering of emission data by Business Line, country, supplier, and category of product, job, or service category, and all supporting KPIs and graphs to be clearly and immediately available. In line with digitalization processes, it is a major step forward for Procurement to be able to monitor reduction targets certified by Science Based Targets initiative (SBTi).

## ASSESSMENT OF POTENTIAL HUMAN RIGHTS ISSUES IN THE SUPPLY CHAIN

Consistent with Enel's commitment to respecting human rights throughout the value chain, a tool has been developed to assess potential human rights issues present in the supply chains of core product categories. For the purpose of the analysis, the main materials and components (tiers) of the relevant categories were identified and, based on literature data and information also acquired through interviews with suppliers, the probable countries of origin were associated with each tier. The tiers thus identified were collected into 3 macro-groups: "upstream", which represents the raw

material extraction stage; "midstream", which coincides with the raw material/component processing stage; and, lastly, "downstream", which consists of the final production stage.

The final score provides an initial identification of potential human rights issues in the supply chains under analysis with respect to the tiers considered and their countries of origin. At the end of 2023, Enel developed an updated version of the tool that includes the possibility for users to modify the list of countries associated with each tier and the relative percentage of supply, resulting in associated scores that can be used to guide strategic supply decision making processes.



## Monitoring systems

Enel has equipped itself with a system for monitoring the qualification requirements of suppliers **listed on the Register**. This system is embodied in:

- **reputational monitoring**: based on the monitoring of open sources and carried out continuously. The objective is to identify potential reputational risks arising from a counterparty's involvement in criminal proceedings (including environmental crimes and those arising from health and safety regulations) and human rights violations in business practice. Each country has set up an Integrity Committee, composed of representatives from the Procurement Function, the Legal Function, the Security Function, and the Technical Functions of the Business Lines. This Committee meets whenever a critical issue emerges which may have negative repercussions on the honorability of the supplier under consideration, to analyze it and assess the application of specific actions or penalties with regard to supplier companies;

### Suppliers

**6,575 Tier 1 suppliers**

**6,319 Tier 1 suppliers assessed during 2023 (assessments made at qualification, bidding and contract award stages)**

**96% of Tier 1 suppliers were considered relevant ("critical suppliers")** in relation to their strategic importance related to the Company's business (non-substitutable or critical component suppliers), purchase volumes, and other factors that could have economic, social and environmental impacts

**99% of total procurement spent by critical Tier 1 suppliers**

- **document monitoring:** this action aims to verify legal documents (*i.e.*, criminal records) and their validity. The documents monitored take into account the legal specificities of each individual country in which the Group is present;
- **Ecofin monitoring:** verification of compliance with economic and financial requirements, defined with the Group Risk Control unit, through integration with external databases and documents provided by suppliers.

For suppliers who, in addition to being on the Register, also have an **active contract**, the following monitoring threads are additionally provided:

- **health, safety and environment:** the performance of suppliers is assessed and monitored through field inspections that identify existing non-conformities and potential hazards with respect to contractual commitments, technical standards and authorization and legislative requirements. The primary objective of the inspections is to prevent accidents, injuries, illnesses and events that may have repercussions on the environment. During field inspections, specific checklists are used to facilitate the homogeneous aggregation of non-conformity data for subsequent corrective action. The **Evaluation Group** is convened by the Health Safety Environment and Quality Function of the Holding Company and is responsible for analyzing the data coming from Health Safety Environment (HSE) monitoring and for evaluating possible consequence management measures. In addition to representatives of the competent HSEQ Functions of the Business Lines, representatives of the Procurement Function, the Legal Function and the Technical Functions of the Business Lines are also on this committee;
- **quality and punctuality:** monitoring examines information related to the quality of services and goods provided by suppliers during contract performance (*e.g.*, adherence to technical specifications, product reliability) and information related to adherence to agreed contractual timelines (*e.g.*, on-time delivery, project and schedule).

These monitoring threads feed into **Supplier Performance Management (SPM)**, a process for systematically collecting data and information related to the performance of contract subject matter of the contract the goal of which, in a collaborative effort with suppliers, is not only to take

any corrective actions during contract execution, but also to incentivize a path of improvement through actions that reward best practices. In addition, all Enel people who interact with suppliers have the opportunity to express their own assessment using the dedicated Track & Rate app. In particular, during 2023 a guideline was drawn up on aspects related to human rights and business practices to support Enel people in evaluating supplier performance in this area in the “Human rights and fairness” category.

Depending on the performance achieved by suppliers, a consequence management model is applied. This may include actions aimed at improvement, reduction of risk and measures to reward excellence. Monitoring of categories is carried out:

- **at contract level:** analysis performed periodically that takes into account the supplier’s performance during the contract period in order to minimize contract related risk. As a result of this analysis, ordinary consequence management actions can be taken (*i.e.*, termination of the contract, application of penalties, where applicable, assignment of an improvement plan and an increase in contract volume, if applicable, etc.);
- **at Product Group level:** long-term analysis carried out periodically that takes into account the supplier’s performance over the past 12 months, with the aim of implementing consequence management actions at a broader level such as maintaining listing on the Supplier Register (suspension, extension, duration of qualification, increase or decrease in award class, etc.).

To support suppliers in corrective actions, digital tools are available through which they can communicate with the relevant areas and exchange any supporting documentation.

**Through the SPM process, about 9,000 suppliers have been monitored in the past year (compared to about 7,700 in 2022).**

In addition to these audits, and again for suppliers with an active contract, there are plans to monitor the additional obligations generated by the application of sustainability requirements and Ks during the contract period. As these obligations are an integral part of the contract itself, failure to comply with them shall result in consequence management actions ranging from the application of penalties to contract termination.

# Training and information

3-3

Over the past few years, Enel has held numerous meetings with suppliers to explore topics related to decarbonization, circularity and human rights, with the aim of sharing common practices and approaches and pushing the supply chain toward the sustainability standards required by the international community. In line with the activities initiated in the area of human rights, several initiatives were undertaken during 2023 to engage suppliers on supply chain mapping aspects. Specifically, 16 workshops were

organized to which approximately 700 suppliers in the core product categories were invited to elaborate on the Group's human rights commitments, and provide guidance on the new requirements related to human rights issues in tenders and addenda to contracts.

In addition, articles are published periodically on the Procurement Function website that highlight the commitment made by the Group to these topics (<https://global-procurement.enel.com>).

## Creation of sustainable value: Supplier Development Program

Enel has launched various initiatives to increase the resilience of the supply chain and make the concept of supplier centricity ever more concrete and tangible.

One example is the [Supplier Development Program](#), initially launched in Italy (where it is currently open to more than 6,000 suppliers) to support the growth path of companies in the supply chain and, at the same time, contribute to the achievement of the Group's strategic objectives. The program is aimed at companies, with headquarters or a branch in Italy, qualified or in the advanced stage of qualification in the Supplier Register and with a production value of up to 250 million euros.

By entering into agreements with major players in the financial and training fields, more favorable conditions compared to those of the market are guaranteed for access to the services offered under the program. These range from financial instruments that can facilitate access to liquidity, management training programs (with partners such as SDA Bocconi and Luiss Business School) and technical training programs (with partners such as BayWa r.e, CESI, Golder) that promote the conversion of the business towards the energy transition, from consulting services on sustainability, circular economy, strategy, M&A and internationalization, to access to catalogues of means of transport and electric, hybrid and standard work machines, to services for obtaining certifications (including product, service, and people certifications offered by APAVE and sustainability certifications offered by ICMQ and IMQ) and from personnel headhunting and recruiting, to supplies of hardware and software for process digitalization.

As of 2023, about 1,000 services were activated, with 65% referring to the financial area and the remainder to training, certifications and rental/purchase of work vehicles. Particular attention is paid to initiatives to support the reconversion and diversification of business such as the "Sportello imprese" (business desk), which consists of periodic meetings with individual traditional power

generation companies aimed at accompanying them in processes of growth and redevelopment towards areas in expansion, such as renewables or new services related to energy efficiency.

This program aims to promote:

- increased awareness of sustainability and digitalization topics;
- differentiation of the business and the consequent reduction in supplier dependence on Enel;
- an increase in financial strength;
- internationalization, which helps grow Enel's business outside of Italy and Europe.

The program is also active in Iberia where, during 2023, a series of initiatives were implemented to support supplier growth, including:

- the launch and dissemination of "Circular Confirming", a financial solution that rewards suppliers who demonstrate greater commitment to sustainability and the circular economy. Suppliers present to the credit institutions that form part of the program certifications to demonstrate this commitment and obtain from them a reduction in the expected cost of prepayment of invoices (up to a maximum of 50%). Currently more than 1,900 suppliers have signed up for this program;
- agreements with major training service providers to offer a variety of courses to suppliers on very favorable terms. The areas of training that suppliers can access are many and mostly focused on sustainability, the circular economy, security, data protection and the development of various soft skills;
- participation in the "Training Program: Sustainable Suppliers" initiative developed by the United Nations Global Compact, an outreach focused on integrating sustainability and the circular economy throughout the value chain, mainly in small and medium-sized enterprises, with more than 260 suppliers joining following an invitation from the Procurement Function;



- in collaboration with the Sustainability Area, the organization in Spain of the training workshop “Calculating and Recording Carbon Footprint”, a free training session – involving about 350 suppliers – the aim of which is to promote and expand knowledge of measuring and reducing the Carbon Footprint;
- training for solar plant construction and dismantling

- activities, involving a total of 3,200 people;
- consolidation of Iberia’s Supplier Development Portal as the place to access all news, information, conditions and promotions related to the program (<https://global-procurement.enel.com/es/noticias/news/2020/03/programa-de-desarrollo-de-proveedores-un-camino-para-el-crecimiento-y-el-desarrollo-sostenible>).

## ENERGIE PER CRESCERE

At the end of 2021, the “**Energie per Crescere**” (Energies for Growth) program was launched, with the aim of training new specialized professionals in order to strengthen Enel’s supply chain in terms of executive capacity while also developing, in a diffuse way, the skills that are needed both now and even more so in the future for the country’s energy transition trajectory.

The program particularly involved e-distribution contractors, creating job profiles that are in high demand in the industry (e.g., linemen, cable splicers, secondary substation assemblers and operators working under voltage).

Energie per Crescere sees the collaboration of several actors: ELIS, a non-profit organization that provides vocational training, the major employment agencies in Italy, Accredia - certified training institutes at which the candidates, once selected, attend the planned 200 hour courses and, finally, Enel’s contracting companies that hire the participants throughout the country at the end of the training course.

The program expects to train about **5,500** people by the end of 2025. As of 2023, more than **4,000** resources had been trained, of which about **2,600** were hired by Enel contractors.

In Iberia, the same goals are being pursued through the “e-Distribution Dual Training” employment distribution training plan, already underway in 27 vocational training institutions with more than 230 students enrolled.



## ENERGIE PER LA SCUOLA: vocational training to support the energy transition

The energy transition begins in the classroom. This is why, once again this year, Enel continues to focus on the vocational training of young people with the aim of fostering their inclusion in the working environment of the energy industry. The “Energie per la Scuola” (Energies for School) program, launched in 2021, starts from a very specific need for new skills adapted and updated with the latest technologies. For this reason, the training program coordinated by the Group puts forward for students in their final year of high school an innovative teaching method that combines classroom knowledge with vocational training, the ultimate objective being a direct job offer from Enel contractor companies upon completion of the program. The training course covers the profiles most in demand in the electrical sector. The aim is to create a bridge between education and

the professional sphere, encouraging the students to acquire the skills needed to embrace the new professions of the energy transition, and facilitating their entry into the workplace with the Group’s suppliers immediately after graduation, also through greater knowledge of the industrial realities in the industry. After the first two events dedicated to professions for the grid – with a headcount of about **550** students trained, the vast majority of whom have already been hired and the remainder of which are in the process of being hired in the businesses involved – the third event launched in 2023 extended its scope to renewables, involving additional Enel suppliers and nationwide educational institutions, with a calendar of presentations to entities throughout Italy. These are the regions where the Energie per la Scuola program applied to renewables was launched: Basilicata, Calabria, Campania, Lazio, Lombardy, Piedmont, Apulia, Sardinia, Tuscany and Umbria. For networks, the project will involve almost the entire country.

## Energy commodity supply chain

| 2-6 | 3-3 | 301-1 |

The term energy commodity denotes those energy raw materials, or a particular category of fungible goods traded in the market, for example, coal, power and gas. Suppliers of energy commodities and related transport services 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. With particular reference to sustainability aspects, counterparts are required to adhere to the Group’s principles, particularly the Human Rights Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan, and the environmental policy. Enel reserves the right to terminate contracts in severe cases of non-compliance with those principles. Checks also ensure that suppliers are not on any specific UN, EU or Office of Foreign Assets Control (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.

During 2023, these checks were strengthened further. In particular, to mitigate the risks arising from the maritime shipment of fuel, Enel has adopted a tool to vet and select the carriers used (vetting) and to analyze the counterparty’s compliance with Enel’s commitments, in line with relevant international standards. Vetting is a recognized industry standard for oil transportation. Enel, along with many other operators, also applies this methodology for dry bulk transport.

To assess the sustainability aspects of coal sources, an internal process involving different actors has been established to ensure that Group requirements for occupational safety, environment and human rights have been satisfied, which may include a site visit to coal suppliers deemed to be strategic.

In addition, a number of meetings with suppliers and counterparts related to different energy commodities have been held over the past year in order. These discuss common issues, such as emission reporting methodologies, increasingly pushing for a sustainable and shared approach throughout the supply chain.

Together with leading European electric utilities, Enel is also actively engaged in **Bettercoal**, a global multi-stakeholder initiative designed to promote continuous improvement in corporate responsibility in the coal supply chain. Bettercoal has released a code of conduct based on existing and agreed standards of social responsibility in the mining sector. This sets out in detail the guidelines for sustainable environmental and social conduct (including issues of ethics and integrity) to which mining companies can refer. Bettercoal Code establishes members' expectations regarding suppliers' practices related to four main categories – management systems, ethical commitment and transparency, human rights and environmental performance – by promoting continuous improvement and integrating proper planning of the mine closure and restoration process from the earliest stages of mine de-

velopment. 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, and from this a broader collaboration related to the responsible sourcing of other energy commodities is emerging. For further information, please refer to the website [www.bettercoal.org](http://www.bettercoal.org). During 2023 Enel continued to participate in the South Africa Working Group established in 2022.

Resources used in the production process	UM	2023	2022	2021	2023-2022	%	Scope
<b>Fuel consumption for thermoelectric production</b>							
<b>from non-renewable sources</b>							
Coal	(,000 t)	4,817	8,522	5,958	-3,705	-43.5	Enel
Lignite	(,000 t)	-	-	-	-	-	Enel
Fuel oil	(,000 t)	807	889	863	-82	-9.2	Enel
Natural gas	(mil m <sup>3</sup> )	7,673	13,214	15,682	-5,541	-41.9	Enel
Diesel oil	(,000 t)	1,061	1,262	1,033	-201	-15.9	Enel
<b>from renewable sources</b>							
Biomass and waste for thermoelectric production	(,000 t)	55	65	71	-10	-15.4	Enel
Biogas	(mil m <sup>3</sup> )	0.3	1.2	0.7	-0.9	-75.0	Enel
Geothermal steam used for electricity production	(,000 t)	48,943	49,947	350,160	-1,004	-2.0	Enel

# ENGAGING COMMUNITIES

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Engaging local and global communities

## SUSTAINABILITY PLAN PILLAR



### STAKEHOLDERS

- Communities

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Enel is implementing projects in the countries in which it operates to help create value for the local area and for the business in line with Sustainable Development Goals.

By implementing community initiatives, Enel relies on international partnerships with non-profit organizations, social enterprises, startups and institutions with valuable local expertise in view of a multi-stakeholder approach (SDG 17).

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
<b>SUPPORT FOR LOCAL COMMUNITIES</b>			
Projects for communities	N.A.	<b>6.5 mil</b> beneficiaries over the period 2024–2030 <sup>(1)</sup>	4 7 8
Beneficiaries of projects on inclusive and equitable quality education			4
Beneficiaries of projects on access to affordable, reliable, sustainable and modern energy	<b>26.5 mil</b> beneficiaries (2015–2023)	<i>Targets are considered outdated as they are replaced with the "Projects for communities" target.</i>	7
Beneficiaries of projects to promote durable, inclusive and sustainable economic growth			8

(1) Target is considered redefined for greater focus on identified projects.

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# ENGAGING COMMUNITIES



| 2-29 | 3-3 | 411-1 | 413-1 |

**3,9** million<sup>(1)</sup>

## BENEFICIARIES IN 2023

6,3 million<sup>(2)</sup> in 2022

**Managing community relations in the areas where Enel operates is crucial to all its activities, and involves incorporating the needs of local communities into the development of activities, from the growth of renewables to the digitalization of grids and the electrification of uses.**

Engaging communities and understanding the different contexts in which the Group operates is therefore essential to develop a sustainable business that minimizes impacts while promoting inclusive and equitable growth in the local area. From the very early stages of business project development, Enel engages with local stakeholders by raising awareness and providing information on mutual

benefits, the strategic role of the electricity industry in the energy transition, and the challenge of climate change. Joint sustainability plans are defined, which include the implementation of practices and solutions to ensure that assets are as sustainable and integrated as possible with the local area.

Establishing and maintaining stable, long-term relationships with communities can help identify new opportunities for development and integration with the local area, and avoid potential conflicts that could lead to delays in implementing key business activities for energy transition.

- (1) Beneficiaries are individuals who are expected to benefit from the implementation of a project. Enel considers only the 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.
- (2) The 2022 value is not comparable with the 2023 figure due to a methodological change that led to the adoption of new criteria.



# The model for creating shared value with the Enel communities

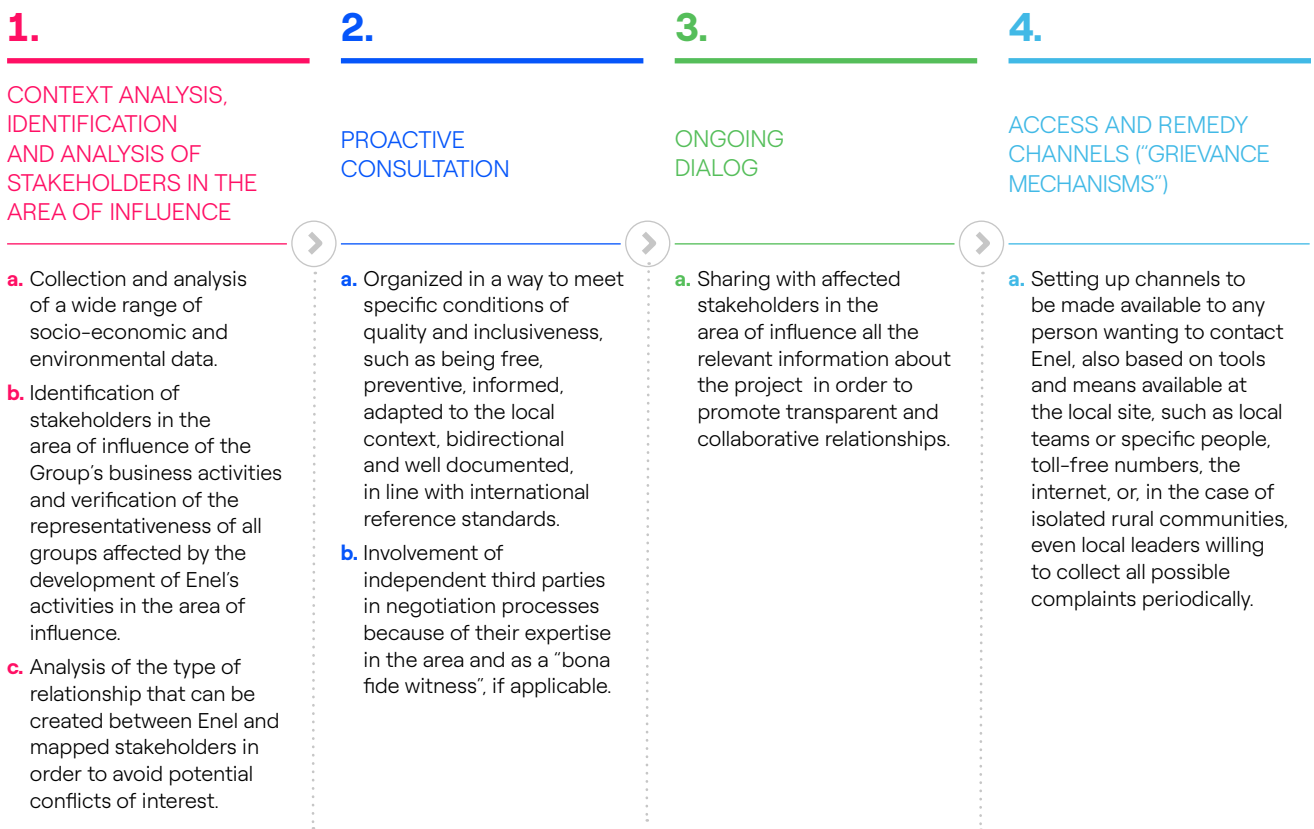
Recognizing that the Group's activities can have a direct and indirect impact on the communities in which it operates, Enel has adopted a **shared value creation model together with the communities** throughout the entire value chain. This model integrates social and environmental sustainability criteria into the various processes from the first stages of development ("sustainability by design"), focusing on solutions promoting circularity, technological innovation, and harmonious integration with the local area. The key aspect of this model is **engaging communities**, which begins at the planning stage and enables the Group to identify the needs of the communities within its sphere of influence. Consultation and consensus building with local communities help to identify the potential impact of

Enel's activities on them as comprehensively as possible, and to take these impacts into account when designing business activities.

Additional initiatives are then implemented throughout the lifecycle of each asset as events or needs arise during facility construction, day-to-day activities, plant operations, and stakeholder interactions to ensure continuous dialogue.

Targeted actions are also taken in the event of unforeseen circumstances, such as natural disasters or social unrest, which cause significant damage to the Group's assets, the local area and communities, and significantly affect people's well-being and safety.

## STAKEHOLDER ENGAGEMENT IN THE AREA OF INFLUENCE



The communities living in the areas of influence of Enel's plants have differing characteristics given the different contexts in which the facilities are located.

Plants from **renewable sources** (hydroelectric, geothermal, solar and wind) are characterized by their proximity to natural resources; therefore, the surrounding communities are

predominantly rural or isolated, as is the case with indigenous and tribal peoples, and are partially involved in the life of those power plants. The benefits of this engagement include the possibility of seizing employment opportunities, as well as participating in vocational training initiatives boosting access to the labor market as a result of the tran-

sition to green technologies, paying attention to the reduction of the gender gap and/or basic training in territories with low levels of education.

**Thermal power plants** are generally located in industrialized contexts with a high population density, including areas characterized by extensive social vulnerability.

**Distribution networks**, on the other hand, cover a wide range of contexts: pylons, poles and transformer cabins are

located in uninhabited areas, run underground under city streets (especially in Europe), or characterize urban profiles where community spaces are shared, bringing electricity into homes. In particular, especially in Latin America, the strong push for urbanization is leading to the rapid growth of suburbs populated by low-income communities, and a reliable service network becomes the enabler for the sustainable development of these neighborhoods.

## The value created for the communities

### The contribution to sustainable development goals

Enel implements projects aligned with the Sustainable Development Goals in order to ensure inclusive and equitable quality education (SDG 4), provide access to reliable and sustainable energy (SDG 7), promote sustainable economic growth (SDG 8), focusing in particular on social inclusion for the most vulnerable population groups (physically, socially and economically).

In 2023, the Group strengthened its commitment to communities through integrated efforts between countries and Business Lines, which allowed it to make the most of the experiences gained over the years. Specifically, in or-

der to better map and monitor the effectiveness of projects involving communities, new indicators were defined to measure impacts based on context-specific priorities. In this way, the results of the projects implemented were monitored to assess the positive impacts on the beneficiaries, with a total of approximately **3.9 million beneficiaries<sup>(1)</sup> involved**, particularly in relation to SDGs 4-7-8 (the number of beneficiaries had increased during the Covid-19 pandemic due to the emergency interventions carried out, but has now returned to pre-Covid levels).

### Measuring the value of Enel's commitment for communities

3-3 | 203-1

Enel makes a substantive contribution to the development and social and economic growth of the local areas and communities where it operates through various types of intervention; these local interventions move from infrastructure improvement up to education and training program, initiatives targeting social inclusion, and project supporting local cultural life.

To measure this action, the Group adopted the LBG (London Benchmarking Group) method, which makes it possible to clearly determine and classify the Company's contribution toward the development of the communities where it is present and compare it with other companies. In particular, according to the **LBG standard**, the expense for the contributions to communities can be broken down as follows:

- **donations:** *pro bono* contributions with no obligations for beneficiaries, except that they have to use the donation for charitable purposes and non-profit associations. For Enel, this item includes all monetary and "in-kind" donations;

- **investments in the community:** medium-long term involvement in community support projects, including in partnership with local organizations, aimed at addressing significant issues both for the local area and the Company. These include projects tied to a broader community benefit strategy, as well as specific initiatives dedicated to communities close to power plants (see the chapters on "Customer centricity" and "Managing human rights");
- **commercial initiatives with a social impact:** supporting 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 2023, Enel's total contribution to the communities in which it operates was **around 118 million euros**, maintaining roughly the same commitment as last year (-1.8% compared to 2022).

### 2023 initiatives for communities by purpose (%)

Donations	14.0%
Community investments	63.6%
Commercial initiatives with a social impact	22.4%

### 2023 initiatives for communities by type (%)


Cash contribution	83.7%
Employee volunteerism	0.6%
Donations in kind (goods/services/projects)	6.8%
Management overheads	8.9%

## Sustainability projects and initiatives


In the areas in which it operates, Enel implements projects which, in line with the sustainable development goals, contribute to the development and social and economic growth of local communities by promoting infrastructure development, education and vocational training, ener-

gy access, rural and suburban electrification, the fight against energy poverty, and social inclusion for the most vulnerable population groups.

Examples of these projects are provided below.



VOCATIONAL  
 TRAINING,  
 ITALY  
 (SDG 4)



Enel promotes vocational training programs in the local area, also in collaboration with institutes and associations, boosting employment opportunities and foster social and economic development for communities through reskilling/upskilling, technical training, and career orientation activities, as well as providing school supplies and scholarships. Examples of projects can be found in the

chapters “Zero emissions ambition and just transition” and “Sustainable supply chain”.





## ACCESS TO ENERGY (SDG 7)



### SUBURBAN ELECTRIFICATION, CHILE

Another example of how the electrification of suburban areas can involve communities is through the normalization program of the grid connections in critical areas in Chile. In 2023, as part of this program, more than 1,200 new connections were created in the municipalities of Lampa, Pudahuel, Colina and Maipú, providing safe access to electricity for more than 4,000 people. In order to ensure safety in critical areas and improve local living conditions, a number of actions have been taken to provide tools to overcome the vulnerability of informal

settlements (suburban areas, slumps, etc.) and to reduce the energy poverty gap in the Metropolitan Region. The main activities carried out in collaboration with the community include the construction of a community center with the support of local NGOs to provide a space for socialization between the community, Enel Distribución and the Municipality; craft, scrap management and micro-enterprise programs to help families find new sources of income; and regular training sessions on topics such as energy efficiency and payment regularity, electrical safety, environmental protection, and climate change, supported by internal and external experts.

### LEADERSHIP NETWORK IN FLORENCIO VARELA, ARGENTINA

In addition to its industrial activities, the Group engages local communities through various listening and proactive support channels to pursue the goal of access to energy for all, in line with SDG 7. For instance, in Argentina, the “leadership network” serves as a vital link between the company and communities, especially those in vulnerable situations. Facilitated by “neighborhood leaders” and relationships with formal and informal organizations representing community interests, this network promotes ongoing communication between the Group and the local area, helping to identify and address local needs, solve critical issues, and build a stable relationship. For instance, in 2022, a community leadership network was activated in Buenos Aires. In 2023, the network was then strengthened and expanded to include three additional neighborhoods: Barrio La Esperanza



in the Municipio de Quilmes, Barrio el Triunfo in the Municipio de Esteban Echeverría, and Barrio Ginebra in the Municipio de Lomas de Zamora. The goal is to support the normalization of networks, which means ensuring consistent energy access for new customers living in critical areas and having an irregular connection. Community leaders take action by raising awareness, advising and solving specific claims, promoting the efficient use of energy, and, more generally, addressing issues affecting citizens with regard to public electricity services and other issues that impact the community.



## SUSTAINABLE INFRASTRUCTURES AND SOCIO-ECONOMIC DEVELOPMENT (SDG 8)



### AGRIVOLTAIC SYSTEMS, USA AND AUSTRALIA

An example of a virtuous relationship with the local area is the coexistence of photovoltaic plants and agriculture in Aurora, Minnesota (USA) and Cohuna in Australia. These sites were designed from the outset not only to produce photovoltaic solar energy, but also for other land

use-related purposes, such as environmental and ecosystem-related services by planting native vegetation or pollinator-friendly crops, resulting in mutual benefits (for more details, please refer to the chapters "Roadmap towards natural capital conservation" and "Innovation").

### HORTAS EM REDE, BRASILE

Enel promotes the land sharing of its grid assets and generation plants with local communities in order to ensure that the Group's infrastructure is smoothly integrated with the local area. In Brazil, for instance, the "Hortas em Rede" project continued in 2023: urban gardens were created in vulnerable areas below electricity lines, providing employment and income opportunities for around 60 direct beneficiaries, and proposing sustainable agricultural solutions for the benefit of the community. At the same time, infrastructure safety is ensured, the overall look of the area is enhanced, and asset maintenance expenses can be optimized by entrusting the



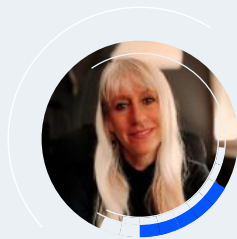
management of the land to the community for promoting the local area and its social and economic development.

## APIARIES IN PHOTOVOLTAIC PLANTS, SPAIN

In Las Corchas, Spain, apiaries have been installed in photovoltaic plants. With the help of startups, smart beekeeping solutions are being developed here to protect biodiversity and ensure sustainable land use. All profits from the sale of honey and artisan products go towards social initiatives, also by involving people with disabilities in the production process. With a capacity of around 70 beehives managed by local beekeepers, the project also aims to introduce



bee tourism and training in later phases to promote employment and entrepreneurship in this field and in the local area.



**Maria Inmaculada Fiteni Campos**

Iberia, Head of Sust. Initiatives & Circular Economy Enel Green Power and Thermal Generation

*“Endesa has patented the solar honey as part of its commitment toward renewable energy projects that promote integration in the local area based on a shared value approach, applying the criteria of the circular economy and with the aim of turning our assets into biodiversity reserves. In fact, multiple forms of land use can coexist, whether for original or industrial use, while also becoming a space for training, local entrepreneurship, and innovation”*

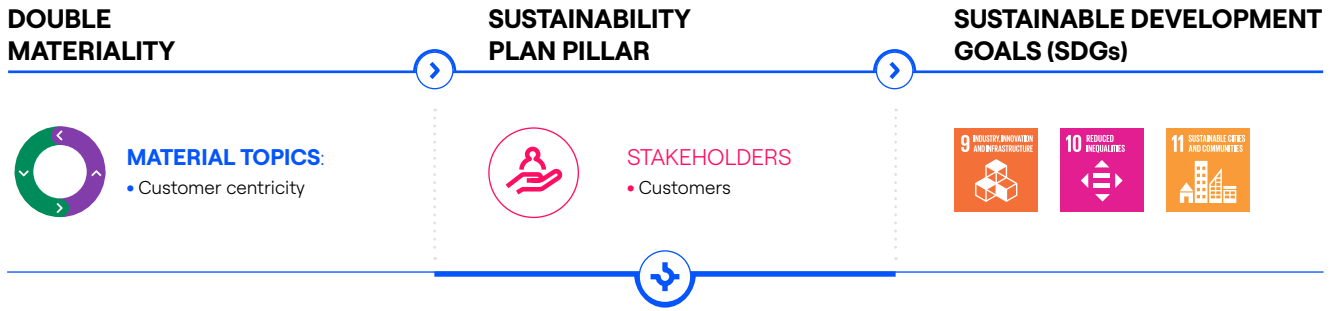
## COCOA EFFECT, COLOMBIA

In order to foster the entrepreneurial local development in the areas surrounding Enel’s assets, the Group provides approximately 60 hectares of land to the “Cocoa Effect” project in Colombia, in the area of the Quimbo hydroelectric power plant. The Cocoa Effect is an inclusive, sustainable, and replicable social development model that aims to increase productivity and strengthen the skills of cocoa-producing families while improving their living conditions. In 2023, around 830 farmers were involved in the project. The initiative is built on a close multi-stakeholder partnership that contributes to community development, with a specific emphasis on women,



young people, and community leaders. For more information, see the chapter “Managing human rights”.

# CUSTOMER CENTRICITY



Enel's goal is to encourage all customers to take an active role in the energy transition by ensuring greater awareness of – and control over – their consumption. With the support of technology, Enel provides customers with innovative solutions that make the use of renewable electricity more accessible in homes, businesses and cities.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
<b>QUALITY OF CUSTOMER RELATIONS AND SATISFACTION OF THEIR NEEDS</b>			
Commercial claims (no./10k customers) <sup>(1)</sup>	<b>177</b> <sup>(2)</sup>	<b>170</b> in 2024	9 11
Customer experience analysis of vulnerable customers	In 2023, regarding main projects, a market analysis on the customer experience of elderly customers in Spain, and on the inclusive electrification process in Colombia have been completed	Customer experience analysis of vulnerable customers with a final qualitative assessment	9 10
New inclusive products and services	<b>10</b> inclusive products and services, such as: new accessible services available in stores in Spain, Brazil, and Colombia, and commodity offers in agreement with associations of people with disabilities in Italy	<b>18</b> new inclusive products and services in the period 2024–2026	9 10
Training on slow shopping techniques and methods to serve vulnerable customers	<b>483</b> Enel people in shops trained to serve vulnerable customers thanks to an increase of trainings in Italy and an increase of participation in Colombia (in the 2022–2023 period)	<b>600</b> Enel people in shops by 2026 trained to serve vulnerable customers <sup>(3)</sup>	9 10
Slow shopping initiatives, inclusive stores, channels and methods to support vulnerable customers	<b>130</b> shops and/or call centers that use the slow shopping method, thanks to new initiatives adopted in stores in Spain and Brazil (in the period 2022–2023)	<i>Target outdated</i>	9 10

(1) Target included in the Top Management remuneration plan.  
 (2) Indicator subjected to reasonable assurance.  
 (3) Cumulative figure from 2022.

**Goals**      **Progress**

New      Redefined      Outdated      Not in line      In line      Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# CUSTOMER CENTRICITY



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

**70.3 mil**

## DISTRIBUTION END USERS

72.7 mil in 2022 **-3.3%**

**540,000**

## NEW PROSUMERS<sup>(1)</sup> AND PRODUCERS IN 2023

of which 485,000 new connections within Italy and Spain, equivalent to 7.3 GW of capacity

345,000 in 2022<sup>(2)</sup> **+56.5%**

**583,000**

## BENEFICIARIES OF 151,000 CONNECTIONS IN RURAL AND SUBURBAN AREAS IN 2023

690,000 beneficiaries and 179,000 connections in 2022

**-15.5%**

**300.9 TWh**

## ELECTRICITY SOLD

321.1 TWh in 2022 **-6.3%**

**61.1 mil**

## ENERGY AND GAS CUSTOMERS

66.8 mil in 2022 **-8.5%**

**177** (no./10K market customers)

## COMMERCIAL CLAIMS

212 in 2022 **-16.5%**

- (1) The term "prosumer", a contraction of "producer" and "consumer", refers to an individual or company that not only consumes goods or services, but also produces them, for example, by installing photovoltaic panels to generate electricity.  
 (2) In line with the 2023 perimeter, the 2022 figures exclude Goiás and Romania.



		Electricity market customers	Gas market customers
<b>Total</b>	no.	<b>54,949,296</b>	<b>6,168,728</b>
Italy	no.	18,559,867	4,339,943
Iberia	no.	10,521,874	1,828,762
Latin America	no.	25,867,555	23

		2023	2022	2023-2022	%
<b>Electricity sold by Enel</b>	TWh	<b>300.9</b>	<b>321.1</b>	-20.2	-6.3%
of which free market	TWh	194.5	198.3	-3.8	-1.9%
<b>Retail customers</b>	no.	<b>61,118,024</b>	<b>66,784,895</b>	-5,666,871	-8.5%
of which free market	no.	24,320,725	27,864,392	-3,543,667	-12.7%

**Enel's leadership is fundamentally driven by a strong emphasis on customer centrality**, encompassing households, businesses, and local public administration, regardless of whether they consume or generate energy. Consequently, the Group is committed to maintaining ongoing engagement with its customers, whether they are connected to the distribution grid or part of the energy and/or gas market.

Enel operates the electricity distribution grid globally through the Enel Grids Business Line, which serves more than **70 million** customers. As a grid operator in European markets, where there is a separation between distribution and sale of energy, Enel not only serves its own sales contract customers, but also customers who have supply

contracts with other operators. Moreover, the Group is committed to the path towards energy transition, bringing electricity generation closer to the end user, by promoting producers and prosumers, *i.e.*, energy consumers who are also producers, who can both generate electricity for their own use and sell it to the grid. In 2023 alone, Enel Grids reached a record of **almost 540 thousand new producer and prosumer connections**, up 56% on the previous record achieved in 2022 on a like-for-like basis. Every month, Enel adds around 45 thousand new connections to its distribution grids from producers and prosumers in Italy, Spain and Latin America. Italy is still Enel's most dynamic market: throughout 2023, **almost 1,000 new distributed generation connections were added per day**, bringing the total number of producer and prosumer connections to around 1.5 million.

In addition to grid management, Enel is also involved in the supply of electricity and gas, operating in both the regulated and free markets. At the end of 2023, the number of retail energy and gas customers was **61 million** (67 million in 2022), of which **more than 24 million** were free market customers. The decrease in the number of customers, compared to 2022 (-8.5%), is largely due to the end of the regulated utility market in Italy; for the free market, the decrease was mainly due to the sale of the business unit in Romania (around 3 million customers).

**Energy sales** reached **300.9 TWh** in 2023 (321.1 TWh in 2022) – down 6.3% compared to the previous year, which was however less than the drop in the number of customers. Enel serves households (B2C), public institutions (B2G) and businesses (B2B) and has an integrated presence, offering an all-round service between commodity and energy solutions, in five countries: Italy, Spain, Chile, Colombia and Brazil. In other Countries and Regions, such as North America, Asia Pacific, Poland, the United Kingdom and Ireland, Enel provides products and services mainly aimed at business customers.



# Customer centricity

The energy sector is undergoing a major shift where consumers are becoming key contributors to both energy generation and consumption. Power plants are also more compact and dispersed than before. **Grids** will therefore have to adapt to handle the variable and decentralized nature of renewables, at multiple entry points, relying on the participation of prosumers in the evolution of the electricity system. To ensure a flexible grid and high service standards, Enel is pushing for ever greater digitalization, both to foster the development of renewables and to support customers in the path toward electrification, leveraging the opportunities provided by emerging technologies.

Enel also has the task of promoting **access to a sustainable, reliable and secure electricity service**, ensuring that this service reaches the greatest number of customers, including those at risk and the most vulnerable. With this in mind, Enel supports electrification processes, both in mature contexts and in rural and remote areas where there are communities living without electricity, as well as connection standardization processes, so that no one is left behind. It also strives for inclusiveness of the services and products offered and to create shared value in the communities and areas involved. In this regard, around 583 thousand new beneficiaries were registered in rural and suburban areas by 2023.

Moreover, Enel aims to **meet the needs of retail customers in a comprehensive, effective and structured manner**, starting by listening and identifying their needs, and taking into account the target in scope as well as their respective geographical and social context. The use of specific analysis tools and artificial intelligence enables a dynamic segmentation of customers to understand their habits, expect-

tations and consumption styles, making it possible to develop increasingly customized products and services. This way, it is possible to unlock local development potential by leveraging the specificities of local territories to offer more attractive solutions and savings opportunities and, in the case of companies, new business opportunities too.

To stay apace with the evolving market, Enel encourages the **active participation of customers in the energy transition** by raising awareness of their consumption and providing greater control over it. With the support of technology, innovative solutions are made available to customers, which make the use of renewable electricity increasingly accessible and widespread in homes, businesses and cities, while accelerating the digitalization of services for greater energy efficiency, thereby helping to achieve decarbonization targets.

In order to **increase its customer base and build customer loyalty**, Enel has established a customer experience strategy based on the simplicity and accessibility of its contact channels (see the section on “Focus on vulnerable groups”), through clear communication, rapid and exhaustive responses, and timely and effective resolution of requests (see the section on “Transparent relations”). By integrating the offers and merging the interaction channels, greater efficiency in customer services is enabled in terms of attention to needs, administration and satisfaction. In February 2023, Enel Energia in Italy was awarded the “No. 1 in Service” quality seal by the German Institute for Quality and Finance, which conducted a study on the Electricity and Gas sector in Italy based on a sample of over 300 thousand customers<sup>(3)</sup>.

## Solutions for retail customers

Regardless of geographic and segment differences, recent geopolitical events, increased price volatility and rising energy costs have increased the need for Enel customers to **improve consumption efficiency by containing costs** and making **spending more predictable**, to make **informed and increasingly environmentally sustainable choices**, to seek **greater security** at home and in public spaces and **to adapt to local laws and regulations**, so as to make the most of the opportunities offered by a fair and sustainable energy transition. To meet these needs, Enel has created

dedicated access channels by setting up a single contact for each target customer, who is able to respond to specific requests with customized and integrated products and services. Furthermore, with a view to containing costs and environmental impact, Enel has continued to support the first Renewable Energy Communities (see the section on “Renewable energy communities”) by creating and managing the Community or constructing photovoltaic plants to serve the Communities themselves.

(3) <https://www.enel.it/it/supporto/avvisi/campione-servizio-2023>.

## Households and micro-enterprises – Focus on bills and energy efficiency

This segment includes households and micro-enterprises in Italy, Spain, Brazil, Colombia, Chile, Argentina and Peru, with a predominance of free market customers in Italy and Spain (in contrast to Latin America, which has an almost exclusively regulated market). This type of customer is increasingly aware of the importance of making informed and responsible energy choices. To meet this need, Enel leverages its customer care channels and provides content explaining price variations and – where possible in non-regulated markets – information on possible subsidies and incentives for customers in vulnerable conditions (see the paragraph “Focus on vulnerable groups”) or on more convenient offers and solutions for their consumption profile.

Several initiatives were taken **in Italy**, such as the launch of the Simulatore Risparmio Energia (energy saving simulator) – an online tool to calculate the benefits of electrification in both economic and environmental terms. The increased

## Government bodies – Security and quality of life for citizens

Customers in this segment are mainly public administrations and are spread across three main areas: Italy, Spain and Latin America (Chile, Colombia and Brazil). In Latin America, Enel works mainly with the bodies governing large metropolises, while in Italy the customer base is largely made up of small and medium-sized municipalities seeking new and efficient technological solutions. Spain is in the middle, with several projects in medium to large municipalities.

The solutions dedicated to this segment support the adoption of **programs serving citizens, improving** their quality of life in terms of **environmental and social impact** and **ensuring** more efficient services, safety and air quality. To this end, Enel supplies **diagnostic tools and intervention plans** that make it possible to monitor the performance and improvements of the local area, as well as specific technical expertise **for the planning and implementation of projects** such as for smart cities (see the chapter on “Innovation”). Enel has also developed a portfolio of integrated products and services to make energy consumption more efficient, optimize costs and reduce CO<sub>2</sub> emissions, structured into three technology verticals:

- **Smart Lighting & Smart City** for the procurement of energy for the public lighting service, aimed at improv-

ing energy performance. This also includes the related operation and maintenance, as well as additional smart city services, such as smart sensors or traffic lights, cameras and other monitoring systems that can also be accessed and managed through the YoUrban platform (see the “Innovation” chapter). Enel also collaborates with several municipalities in development of artistic lighting projects to enhance local cultural heritage;- **eTransport** to promote the deployment of infrastructure and technologies that facilitate the electrification of public and private fleets, primarily targeting municipalities, public and private transport operators and fleet managers for logistics services, to reduce air and noise pollution and improve urban mobility services (see “Parking sensors” box). In **Italy**, the focus is on the development of faster public charging network, while in Chile, proposed solutions also aim to improve the functionalities of bus stops and shelters, increase safety at night and reduce damages caused by vandalism. Lastly, a range of services tied to LED screens to spread public utility information was developed in Chile and Colombia;
- **Smart & Efficient Buildings** focuses on providing solutions that increase the efficiency, comfort and safety of public buildings, enabling local municipalities, universities and public hospitals to reduce energy costs thanks to greater efficiency and smart consumption management, while also lowering emissions.





## PARKING SENSORS A CUSTOMER-CENTRIC REVOLUTION FOR PUBLIC CHARGING INFRASTRUCTURE



### IOT SENSORS INTEGRATED WITH CHARGING SYSTEMS TO MITIGATE DISRUPTION CAUSED BY PARKING STALL SQUATTING.

The integration of IoT sensors with Enel's public charging network shows customers the real-time availability of parking spaces reserved for charging electric vehicles. Through this project, Enel is one of the first Charging Point Operators (CPOs) to provide up-to-date and accurate information on the physical

availability of its charging points, not only to end users to improve the customer experience, but also to local law enforcement agencies with the aim of resolving the issue of parking space stalling. This solution was launched on a trial basis in Italy in July 2023, in some areas of Rome, and is being extended across the city with the goal of integrating other future developments such as app services to book the charging point.

## Companies – Increased competitiveness and decarbonization of generation processes

Customers in this segment are mainly distributed in Italy, Spain, Brazil, Colombia and Chile, where there is an integrated presence, while in other Countries and Regions such as North America, Asia-Pacific, Poland, the United Kingdom and Ireland, Enel is present with specialized services, mainly demand response, leveraging on partnership or stewardship business model.

Companies need to reduce risks tied to energy price volatility and boost competitiveness through cost reduction, as well as diversify their energy sources in order to decarbonize industrial processes, avoid CO<sub>2</sub> emissions, and embark on a path to Net Zero that can meet not only legislative requirements but also the expectations of customers and investors. To support these goals, Enel offers technical expertise and solutions for fleet electrification, energy performance diagnosis and monitoring, renewable energy

generation and storage, and flexibility, from the planning stage right through to project implementation.

In 2023, Enel achieved 268 MW of photovoltaic capacity at its industrial and commercial customers, and 9.6 GW in flexible capacity managed through demand response. Demand response is a tool that allows direct intervention on energy generation and consumption levels to cope with supply reductions or peaks in market demand: industrial and commercial customers are paid for their availability, and the electricity grid benefits from greater stability and integration of renewables.

In **Italy**, the introduction and regulation of Energy Communities will enable companies to play an increasingly proactive role in the energy transition (see the chapter on "Energy communities" for further information). In **Latin America**, especially Chile, there is a focus on electrification of company bus fleets for companies to cut emissions on employee transportation.

## Renewable Energy Communities: the emergence of cross-customers

Enel supports the creation of Renewable Energy Communities (RECs), which are legal entities that are created through the **association of citizens, local governments or businesses** who decide to set up plants for the generation and sharing of energy from renewable sources. RECs are an example of how, in the energy sector, customers are taking an increasingly active role and how government incentive mechanisms can stimulate the construction of larger photovoltaic plants designed for self-consumption and shar-

ing, as well as the electrification of final consumption.

Enel supports companies, municipalities and citizens through the entire process, from the design and installation of renewable plants, to their operation. In 2023, Enel supported the creation of 6 RECs, including those in Maranello, Fiorano Modenese and Buccino, which may become operational following the publication of the technical operating rules by the GSE (Gestore dei Servizi Energetici).



### ENERGY COMMUNITIES: ENEL'S PARTNERSHIPS



Enel and Ferrari, a world leader in the luxury sector, have entered into an agreement to build the first Renewable Energy Community in the industrial sector in Italy: the REC will be powered by a photovoltaic plant with a capacity of around 1 MW located on a plot of around 10,000 square meters owned by Ferrari, adjacent to the Fiorano Modenese racetrack. The photovoltaic plant in Fiorano Modenese will use single-axis trackers and double-sided photovoltaic panels for an average production of around 1,500 MWh for 20 years, avoiding around 440 tons of CO<sub>2</sub> being emitted into the atmosphere per year. Through this partnership, public or private entities in the municipalities of Fiorano Modenese and Maranello will be able to join the REC using the renewable energy generated by the new plant and/or become green energy producers themselves, for example by installing photovoltaic panels on the roofs of their homes and connecting them to the grid.

Enel and FICEI (Federazione Italiana Consorzi Enti Industrializzazione) have signed a partnership to create a Renewable Energy Community made up of companies in the Industrial Development Area (ASI) of Buccino, in the province of Salerno. The REC was created following an analysis of ASI's land area and energy needs of its member companies, particularly those which are more energy-intensive or which operate in hard-to-abate sectors; it will be powered by two photovoltaic plants with a total capacity of 1.6 MW, generating around 1,250 MWh for 20 years and avoiding 367 tons of CO<sub>2</sub> per year. One Community member and founding partner is the Magaldi Group, which supplies the storage batteries, thereby optimizing the REC's performance and creating a synergy between entities in the same industrial development area.

## Focus on vulnerable groups

2-29 | 3-3 | DMA EU (former EU23) |

The whole Enel Group is committed to a 'fair for all' energy transition, ensuring access to electricity even in the most remote areas and supporting those in vulnerable conditions, through specific and inclusive services in line with its Human Rights Policy. To ensure an integrated approach in this direction, Enel has developed a Group-wide perspective on customer needs in terms of inclusiveness and accessibility. This includes the introduction and consolidation of a definition of "vulnerable customers", which emphasizes the specific conditions of customers, whether temporary or permanent. For Enel, vulnerable customers include both people and entities which, as a result of the interaction of their intrinsic characteristics, socio-demographic factors, and economic and en-

vironmental conditions:

- cannot participate or are at risk of suffering adverse outcomes in the energy market or in any of the Enel Group's areas of interest;
- have difficulty obtaining or using information to represent their interests;
- are less comfortable accessing and using appropriate services and products.

Conditions of economic and social vulnerability due to temporary circumstances, such as earthquakes (see box "Emergency management"), floods, disabilities, and other diversity-related issues such as age, were found to have the highest incidence among Enel's customers.

### Emergency management

In 2023, a number of critical weather events occurred that affected the distribution grid and caused service interruptions resulting in damage to customers. In particular, critical events occurred in the metropolitan area of São Paulo and Rio de Janeiro in Brazil and in Italy between Emilia and Romagna.

In Brazil, a violent windstorm struck the Enel concession area of São Paulo and Rio de Janeiro for three days in early November, causing power outages for 2.1 million citizens in the São Paulo area and 1.2 million in Rio de Janeiro. It was the strongest storm in recent years, with winds reaching speeds in excess of 100 km/h, and caused the felling of more than 1,400 large trees. Due to the complexity of the grid repair work, supply was restored gradually, prioritizing the most critical areas, such as essential services.

Despite the efforts of employees and contractors, the restoration work was particularly complex and took around a week. This was due both to the high population density and the difficulty in reaching

areas impacted by downed trees, requiring coordinated efforts with multiple bodies including Civil Defense, the Fire Department and the Police. In areas of Emilia-Romagna in Italy, last May there was an intense flood of 4 billion cubic meters of water over an area of 1,600 km<sup>2</sup>. To address the emergency, e-distribuzione managed to re-power around 55 thousand utilities, providing more than 170 generators, reconstructing 3 primary substations (total reconstruction of the primary plant in Conselice in the province of Ravenna and partial reconstruction of 2 other primary substations between Forlì-Cesena and Ravenna), cleaning and completely reassembling more than 300 secondary substations, and restoring more than 100 km of medium voltage lines and 10 thousand meters. Moreover, thanks to the direct intervention of the non-profit organization Enel Cuore and employee fundraising, Enel made a donation of 1 million euros to Civil Defense, which was committed to helping those affected by the flood and worked to restore normalcy to the affected areas.

In the same vein, in 2023, following the application of the **Sustainability Boosting Program**<sup>®</sup> (see box) to Enel stores, the internal **Guidelines for inclusive customer relations** were drawn up, and designed to understand and anticipate the needs of this target and help to improve the customer services and experience in Enel's "design for all" stores. Launched in September 2023 in all countries

where Enel operates, these guidelines focus on both customer interaction and store accessibility.

To ensure their adoption and dissemination, a dedicated **training course** was designed and delivered in Italy to around 70 **operators** of Enel direct spaces; while the course content was made available to Enel indirect spaces managed by partner entrepreneurs through their publica-

tion on Enel Energia's digital platform Enel Flow. Also in Italy, the first tools to support the strategy for **inclusive communication with customers, video interpreting services in sign language** for deaf people and **simultaneous translation in 7 languages** were rolled out in pilot mode and made available in various geographical areas (Bologna, Naples, Cosenza, Albano and Rome) as first tools supporting the strategy for inclusive communication with customers. The **telephone interpreting service** was also reactivated in the 100 direct Enel spaces, which translates into 20 languages through a 'three-way conversation' between the operator of the Enel space, the customer and the translator. Other inclusive business initiatives implemented in **Italy** in 2023 include the Light/Gas and Fiber Offer for members of associations for the protection of people with disabilities<sup>(4)</sup>, which provides subsidized pricing and a dedicated access channel at points of sale. **ENELPREMIA WOW! For All** is an initiative launched in 2022 and renewed in 2023, which includes occasional discount coupons under Enel's loyalty

program for the free market, providing access to services dedicated to seniors and people with disabilities.

The **WOW STORE** project was implemented in **Brazil**, making the Enel store in Santo Amaro (São Paulo) more inclusive, thanks also to the collaboration of the City of São Paulo. Staff were trained on serving vulnerable customers and store accessibility was improved. The store also introduced the option to sign up for the municipality's social initiatives and easily apply for the social tariff. The Ecoenel program is also part of the initiative which promotes electricity bill discounts for customers who properly sort their waste in dedicated collection and recycling points.

In **Spain**, the **Energy poverty training for NGOs and social services project** was launched, with 19 training sessions provided to 370 people from social entities that assist people in vulnerable conditions (around 70 thousand beneficiaries) to teach them how to improve energy efficiency, better understand bills and apply for the social bonus.

## Sustainability Boosting Program® and Columbia University

The Sustainability Boosting Program® applies the principles of circular economy, social inclusion and biodiversity to the Enel Group's portfolio of solutions, to improve their sustainability while creating a competitive advantage and new business opportunities.

In 2023, Columbia University reviewed and compared the Sustainability Boosting Program® with programs of other prestigious companies and organizations operating in the market, in order to verify the soundness of the program and identify possible areas for improvement. It emerged that the social inclusion dimension of the Sustainability Boosting Program® is more complete and detailed than other reference

frameworks used at the product level, demonstrating Enel's focus on customers listening and inclusion.

Another strength identified by the Columbia University team is the involvement of various stakeholders throughout the Boosting process, which made it possible to capitalize on the specific geographic and market contexts, as well as to create the right mix of technical and business expertise for an effective innovation process. The analysis conducted on the Sustainability Boosting Program® can be found in an article published on Columbia University's blog. The program was also showcased as part of a master class of the World Business Council on Sustainable Development (WBCSD), attended by around 60 network companies, which particularly appreciated the program's innovative methodology for generating inclusive company products and services.

(4) ANGLAT (Associazione Nazionale Guida Legislazioni Andicappati Trasporti) and ANMIC (Associazione Nazionale Mutilati e Invalidi Civili).

## Transparent relations

| 2-23 | 3-3 | 417-1 | DMA EU (former EU24) |

Enel is continuing its process of digitalization of customer relations to improve the customer experience while also meeting its commitments to mitigate the effects of climate change.

As part of distribution customer management, in 2023 customer master records were reviewed and updated in Latin American countries to minimize possible billing errors. Several recovery strategies shared with the market were also adopted to increase credit efficiency. 2.2 million reconnections were performed (vs. 3.4 million disconnections), with a 99.5% compliance rate on reconnections performed within regulatory deadlines, aimed at reducing claims. To counter the effect of delays in the execution of connection work due to an increase in producer connection requests, a special caring and feedback collection (Voice of customer) initiative for Enel customers was launched with surveys and data analysis to identify areas for improvement. To respond to the increase in calls in emergency situations, given the various episodes of environmental disasters impacting the countries where Enel operates as a distribution grid operator, proactive customer communication measures were taken and IVR (Interactive Voice Response) automation was improved, enabling effective management of peaks in inbound calls (see box “Emergency management”).

As for the retail market, in 2023 more than 18 million digital customers registered on the private area of the website and/or app (43.7% of the entire customer base), up approximately 20% over the previous year. This makes cus-

tomers more autonomous in managing services such as viewing consumption, reading meters, paying bills and installment payments, in turn improving customer satisfaction. In 2023, 227 million bills were sent in digital format – an increase of around 18% over 2022, amounting to 37% of all bills issued. This not only reduced the costs of paper, printing and delivery of traditional bills, but also reduced CO<sub>2</sub> emissions related to these activities. To improve the customer experience, the invoice format was also revised **in Italy** to make it clearer and easier to understand (see chapter on “Innovation”). After last year’s pilot, customer recognition through biometric factors was brought to full scale **in Spain**: to ensure secure and inclusive access to the services offered, voice recognition is being adopted as an element of customer authentication in call centers, improving personalization, emotional engagement and accelerating the resolution of customer needs. In 2023, digital payment channels were further strengthened to facilitate and enhance the customer experience, and the proportion of payments made by direct debit reached 38.7% of all payments. In Brazil, the Pix payment channel, created by the Central Bank of Brazil to facilitate instant payments, was developed and is widely used throughout the country. In Italy, a link to one-click payments through the national digital platform PagoPA was included in digital credit communications. Lastly, great attention was paid to the possibility of flexible installment plans to meet the various needs of customers with respect to the context of each country.

## Clear and effective communications

The Plain Language initiative was created with the goal of building customer relationships based on **trust** and **credibility** thanks to clear and transparent communications in all contact channels (in person, apps, websites) for commercial and operational information. In an increasingly complex environment, clarity of communication is essential for establishing lasting relationships and ensuring that every interaction with customers uses direct and unambiguous language. In 2023, the first major steps were taken to improve the clarity and effectiveness of Company communication. Below are the main initiatives undertaken:

- **global guidelines**: basic principles for writing, testing and measuring the effectiveness of communications written in plain language were identified (see the “ViviElettrico” box);



ViviElettrico.it is a “digital help desk” that helps customers **find the answers to questions** related to **energy choices for domestic consumption** and make informed decisions, clarifying the most common doubts on: photovoltaics, efficient homes, bill saving, electric mobility, incentives and electricity use. In 2023, the portal had more than 250 thousand unique visitors.

- **action plans in Italy, Brazil, Spain, Chile and Colombia:** priority areas were identified in which to adopt the methodology, with the launch of testing in all customer contact channels. Training sessions were carried out involving more than 200 colleagues to build internal technical expertise;
- **monitoring tools:** tools were used to check the readability of texts and assess customer perception of the

clarity of information received. In addition, a dashboard was developed in Italy and Brazil to monitor the language used by consultants in call centers.

Data collected from trials show an improvement in customer satisfaction and perception of the service received, confirming the commitment to transparent and accessible communication.

## Customer satisfaction

| 2-29 | 3-3 | 417-1 |

In 2023, the customer happiness and satisfaction measurement system, consisting of relational and transactional factors, was consolidated and further refined.

In terms of relational aspects, Enel relies on the global Net Promoter Score (NPS) standard to measure the overall level of customer happiness and “advocacy” through simple and immediately understandable data. This is based on a question asked to customers (“On a scale of 0 to 10, would you recommend Enel to your friends and family?”) and is expressed through a number ranging from -100 to +100, calculated as the percentage of “promoters” (rating 9 or 10 out of 10) minus the percentage of “detractors” (rating 0-6 out of 10). Customers are surveyed twice a year to maximize responses and monitor trends over time, through an email survey – a channel that allows more realistic and reliable values than telephone surveys. The NPS survey has global coverage, and both local and global results are constantly monitored.

For the detailed monitoring of satisfaction on “transactional” aspects – *i.e.*, at “moments of truth” (such as the completion of activation, interaction with the contact center, delivery of the bill, power increase) – Enel’s customers are surveyed by e-mail or via the website/app, asking them

to express their “Customer Satisfaction” (CSAT) with the standard question “On a scale from 1 to 5, how satisfied are you with the ‘moment of truth?’”, calculated as the average of all responses received.

The measurement system (which in 2022 completed coverage in Italy and Spain with more than 30 “moments of truth”, was further refined in 2023, reaching 9 “moments of truth” in Brazil, Chile and Colombia. In all Countries and Regions, thanks also to the collaboration between the dedicated Customer Happiness team and the various business units, it has now become standard practice to constantly monitor happiness and satisfaction values and level – now integrated not only into the operational processes of activation, billing, credit and collection, and customer care, but also in marketing and sales activities.

In terms of results, there was a slight decrease in the Global Net Promoter Score from +5.6 (Q4 2022) to +4.7<sup>(5)</sup> (Q4 2023) compared to the -100/+100 range. Considering the complex phase that the sector in which Enel operates underwent in 2023, and the resulting increase in household energy expenditure, these NPS values indicate that the customer base has substantially maintained its trust in the Enel brand and its levels of service.

## Management of commercial claims

| 2-25 | 2-26 | 2-29 | 3-3 |

In 2023, the guidelines adopted in previous years on the process of monitoring and classifying claims were consolidated on all Business Lines in all countries where Enel operates, in order to maximize service quality and increase customer satisfaction in accordance with applicable laws, regulations and rules of governance.

Over three years, the number of registered commercial claims per 10 thousand customers related to services and products

decreased globally by 50%, thanks to the combination of processes geared towards a more effective and efficient common model based on first contact resolution, the development of internal benchmarks, and ongoing performance monitoring.

These results were also achieved through actively listening to customers, who assess the Company’s ability to resolve the particular issue thanks to a new standardized feedback model. Also with regard to distribution service management, Enel is

(5) Average value calculated based on all responses received in the last 3 months of the year.

committed to putting in place solutions aimed at increasing customer satisfaction by reducing customer claims and focusing on the speed and comprehensiveness of responses, as well as the timely and effective resolution of requests. With this in mind, in order to ensure increasingly effective customer management, the customer engagement unit was set up, one of its main objectives being to manage interactions with customers through all channels (digital and otherwise), maximizing their potential, and increasing their trust and satisfaction, including by properly defining and targeting the various customer segments.

To reduce customer claims, a number of initiatives were also taken in 2023 to improve the overall customer experience. In Italy, investments were made to improve processes and train

staff to ensure high-quality customer service and in-depth knowledge of the services offered.

Enel complies with current customer privacy regulations in all the countries where it operates. The Company also strives to monitor 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, such as sales services or customer happiness surveys (see paragraph on “Customer satisfaction”). Customer data is an expression of the individual's personality and identity, and must therefore be treated with due caution and guarantees, as also outlined in the Human Rights Policy.

## Promoting access to energy and combating energy poverty

### 3-3 | DMA EU (former EU23) |

Access to energy is a challenge and a primary need as stated by the United Nations in SDG 7. This aims to ensure access to affordable, reliable, sustainable and modern energy systems for all, due to the role these play as a driving force for fighting poverty and ensuring long-term economic and sustainable growth.

The 2023 update of the “Energy Progress Report”, which measures the progress of SDG 7 and is co-processed by the International Energy Agency (IEA), the International Renewable Energy Agency (IRENA), the United Nations Statistical Commission and the World Bank, once again confirms that the current pace of progress in terms of the 2030 goals regarding energy access, energy efficiency and renewable energy, among others, is not fast enough. Among the reasons for the slowdown on the required roadmap are the uncertain macroeconomic scenario, high inflation, lack of sources of finance, and soaring prices of materials. In some parts of the world, particularly the most vulnerable, a residual effect of the Covid-19 pandemic lingers, along with the soaring energy prices experienced since 2021.

Halfway to achieving the 2030 Agenda goals, indicator 7.1.1 “Proportion of population with access to energy” is

off the roadmap, with 675 million people<sup>(6)</sup> still without access to electricity.

Enel is committed to ensuring that as many people as possible have access to energy, both by using traditional means (connections to the electricity distribution grid) and by developing off-grid solutions, which enabled the Company to **connect around 583,000 people in rural and suburban areas in 2023**.

The main responsibility for guaranteeing safe and economic access to basic energy services obviously lies with governments, but the electric sector is also called on to provide a tangible contribution by promoting sustainable social-economic development.

Enel works together with governments and local institutions to **combat energy poverty** and facilitate access to energy for customers in vulnerable conditions in all the countries in which it operates. It does this through specific initiatives to support the deployment of energy efficiency and responsible consumption solutions, the modernization of infrastructure and the growth of renewable energy sources, in line with the Group's sustainable business model and its commitment to a **just transition**.

(6) 2021 data.

In this respect, Enel's approach has two lines of action:

**Pro-active measures aimed at anticipating critical situations through:**

- new offers that restructure prices and reward reduced consumption;
- support for vulnerable customers in accessing the benefits offered to them;
- initiatives to disseminate practical tips for reducing consumption, etc.

**Reactive measures for *ad hoc* interventions when critical situations arise:**

- suspension/deferral of payments;
- access to tax bonuses or credits for customers in economic difficulties or affected by natural disasters.

In Spain, for example, through agreements with 7 Autonomous Communities, 2 municipality associations and the Red Cross, Enel is working along with social services to provide support to people in vulnerable conditions. When social services identify a situation of need, Enel blocks collection processes and possible disconnections due to non-payment until the necessary aid is provided to pre-

vent such outcomes. Enel also facilitates the adoption of payment plans and deferments that allow bills to be paid within 24 months. Similar initiatives have also been pursued in Portugal.

Conversely, in other countries Enel's commitment to fostering access to energy involves not only providing electricity, but also delivering innovative and clean technologies to the population in order to generate energy with reduced impact on the environment. For example, in Latin America about 2,308 MW from renewable sources came into operation in 2023, bringing the total renewable capacity to about 22,665 MW. In Africa, Enel Green Power is currently the leading private renewable operator in terms of installed capacity (about 2,100 MW in operation) with a presence in several countries. In Asia, the Group is present in India through its subsidiary EGP India, one of the country's main renewable energy companies, which owns and manages 340 MW of wind capacity and 420 MW of solar capacity, producing approximately 1,382 GWh a year in Gujarat and Maharashtra.



## PROGRAMA DE RECAMBIO IN CHILE

AN INITIATIVE TO REDUCE  
THE CLIMATE FOOTPRINT OF  
CHILEAN HOUSEHOLDS BY  
SUBSTITUTING AND RECYCLING  
OLD WOOD STOVES



"Programa de Recambio" is a national initiative managed and funded by Chile's Ministry of Environment<sup>(7)</sup>. It provides free replacement of wood stoves to reduce local pollution, thereby improving the health and quality of life of communities. In support of this initiative, since 2017 Enel has enabled more than 21,000 households to replace their woodstoves heating with an energy-efficient, safe and sustainable heat pump air conditioner.

During 2023, Enel installed more than 5,000 new air conditioners, replaced over 21,500 stoves and avoided the emission of more than 50,000 tons of CO<sub>2</sub> since the program started<sup>(8)</sup>. Through the recovery of decommissioned stoves, the program has also enabled the recycling of more than 1,900 tons of waste. Following a circular economy logic, this waste is then used to produce steel bars for the construction industry.

(7) The initiative is part of the Emissions Compensation Program (ECP), a mandatory legal instrument to offset corporate emissions. It is organized and funded by the Italian Ministry of Environment and Energy Security, in which Enel X has been chosen as a provider for program development.

(8) Data calculated as the sum of savings generated in one year by heat pumps installed between 2017 and 2023.



## Enel's governance to promote access to energy

Enel's commitment to ensuring energy access is also confirmed in its 2024–2026 Strategic Plan through the definition of specific objectives, including an increase in renewable sources, the development of sustainable and circular products and services. In synergy with the Strategic Plan, Enel defines the Sustainability Plan's goals and commitments, which contribute to the achievement of the United Nations' 17 Sustainable Development Goals. The Sustainability Plan's objectives are subject to periodic analysis and monitoring by the Board of Directors by means of the Corporate Governance and Sustainability Committee (see the

Corporate Governance report, available at [www.enel.com](http://www.enel.com)). The Group is engaged in realizing these strategic objectives by contributing towards support for the global challenge of guaranteeing access to energy. In support of strategic goals, 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 and through innovation activities.



# HEALTH AND SAFETY OF PEOPLE

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Health and safety

## SUSTAINABILITY PLAN PILLAR



### STAKEHOLDERS

- Occupational health and safety

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



The Group is committed to putting the health and safety of Enel people and contractor companies first, by promoting a strong culture of occupational health and safety.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
<b>HEALTH AND SAFETY OF ENEL PEOPLE AND CONTRACTOR COMPANIES</b>			
Injury frequency rate with more than 3 days of absence from work (combined employees and contractor companies) <sup>(1)</sup>	N.A.	< <b>0.41</b> in 2024	⊕
Weighted frequency rate of workplace injuries with more than 3 days of absence (combined employees and contractor companies) <sup>(2)</sup>	N.A.	< <b>0.44</b> <sup>(3)</sup> in 2024	⊕
Own workforce coverage (Enel employees and contractor companies employees) with a certified health and safety management system	N.A.	Enel employees <b>≥94%</b> Contractor companies employees <b>≥96%</b>	⊕
Extra Checking on Site (ECoS) on safety	<b>101</b> ECoS on safety carried out	<b>59</b> ECoS on safety in 2026	⊕
Health and Safety Project	<b>1</b> initiative carried out	<b>1</b> initiative per year in the period 2024-2026	⊕
Contractor companies' engagement	N.A.	<b>1</b> initiative per year in the period 2024-2026	⊕
Reduction in injury frequency rates compared to previous years (LTIFR) (combined employees and contractor companies) <sup>(4)</sup>	<b>0.61</b> (+22% vs LTIFR 2022)	<i>Target outdated</i>	⊘
Evaluation Groups (EG) proactive towards contractor companies	<b>54</b> Evaluation Groups	<i>Target outdated as it has been replaced with a contractor company engagement initiative</i>	⊘

- (1) Target included in the Top Management remuneration plan. This index is calculated as a ratio of the number of injuries (with more than 3 days of absence) to hours worked (in millions). The result for 2023 is 0.50. Indicator subjected to comprehensive review (reasonable assurance).
- (2) The index is calculated by assigning a weight to the Frequency Rates based on the severity of the injury that they represent (number of injuries with absence from work > 3 days per million hours worked), differentiating between fatal, life changing, high potential and others.
- (3) Target is planned with short-term time horizon to 2024, as it is calculated as the average of the Weighted Frequency Rates of the previous 3 years (2021 to 2023).
- (4) The index is calculated as a ratio of the number of injuries (with at least one day of absence) to hours worked (in millions).

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

ACTIVITIES	2023 RESULTS		2024-2026 TARGETS		MAIN SDGs
Global health and safety communication initiative	Completion of the initiative in 2023		<i>Target outdated as it has been achieved. Local health and safety communication initiatives will be implemented</i>		
SECURITY 					
Physical protection of people abroad <sup>(5)</sup>	<b>1</b> training course included in the eEducation catalog		Expansion of catalog content with at least <b>2</b> training courses for leavers		
Asset protection	Risk Assessment performed in 100% of the countries in which the Group operates		<i>Target outdated as it has been achieved</i>		 

(5) This refers to services to mitigate the risk of assault and kidnapping for colleagues working in countries with very high levels of crime.

# HEALTH AND SAFETY OF PEOPLE



3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-9 | 416-1 |  
 EU18 | DMA EU (former EU21) | DMA EU (former EU16) |

## 1.88

**TRI FR - TOTAL RECORDABLE INJURY FREQUENCY RATE COMBINED ENEL AND CONTRACTOR COMPANIES**

2.25 in 2022 **-16,4%**

## 0.61

**LTI FR - LOST TIME INJURY FREQUENCY RATE COMBINED ENEL AND CONTRACTOR COMPANIES**

0.50 in 2022 **+22,0%**

## 101

**EXTRA CHECKING ON SITE (ECoS) SAFETY**

121<sup>(1)</sup> in 2022 **-17,0%**

## 1,452 thousand hours

**TRAINING PROVIDED TO ENEL PEOPLE**

1,244 thousand hours in 2022 **+ 16,7%**

(1) The 2022 ECoS figures include a more specific determination, following internal reclassifications.



For Enel, the health, safety and psychological and physical well-being of individuals are the most precious asset to be protected at all moments of life, be it at work, at home or during leisure time. Enel is therefore committed to creating increasingly healthy and safe work spaces and processes, both for employees and for anyone who works with the Company, by supporting dedicated training courses.

To make this commitment clear and evident to all Group employees, as well as to external stakeholders, Enel has developed and disseminated a **Health and Safety Policy**<sup>(2)</sup>, which is shared with the Board of Directors and signed by the Chief Executive Officer, setting out the guiding principles, strategic objectives, approach, guidelines and priorities for the ongoing improvement of health and safety standards. It also outlines the areas of action where Enel has committed to achieving its targets: people come first (meaning both internal workers and contractors working with the Group), followed by processes and innovative technologies to support injury prevention.

In line with the values set out and adopted with the above policy, the **Stop Work Policy** was also published, again signed by the Chief Executive Officer, which aims to empower Enel employees and contractors in the management of potential health, safety and environmental risk situations. In fact, all workers have the opportunity to stop any activity deemed risky for health, safety and environmental protection, based on a “no blame” approach – a principle where no blame or responsibility is placed on an employee or contractor who reports a risky situation. Indeed, from a safety standpoint, reports of incorrect behavior or a risky situation are greatly valued to be able to take corrective action and prevent such behavior from recurring over time.

The “**Health and Safety Policy**” is available on Enel’s website at the following link: <https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/enel-group-health-and-safety-policy.pdf>.



## Workers’ Health and Safety Management Systems

In line with the **Health and Safety Policy**, Enel promotes, adopts and keeps constantly up-to-date its **Workers’ Health and Safety Management Systems** throughout the

Group, in accordance with the international standard ISO 45001, ensuring maximum coverage:

### ACTIVITY



% COVERAGE WITH CERTIFIED MANAGEMENT SYSTEM

### STATEMENT 2023



(1) “Non-employees” in a company’s workforce include both individual contractors who provide labor to the company (“self-employed”) and persons provided by companies that mainly carry out “salaried activities” (NACE Code n78, Annex 2 CSRD 2013/34/EU).

These systems are based on identifying hazards, qualitative and quantitative risk assessments, planning and implementing preventive and protective measures (and checking their effectiveness), and checking the training of work teams. By way of recurring audit cycles conducted throughout the year by certified internal staff (Part I audits) and by accredited external bodies (Part III audits), the Management Systems ensure regulatory compliance, effectiveness of processes and respective remedial actions, and, lastly, the dissemination of a risk-based approach and robust organizational and individual culture on the broader issues, with a view to on-

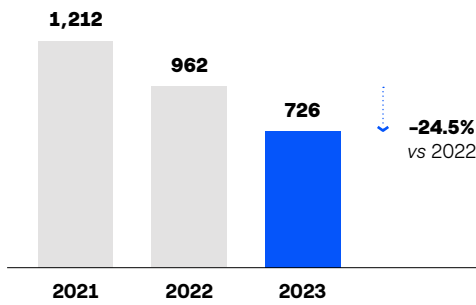
going improvement in occupational health and safety. The Systems’ homogeneous approach (adopted in the various Group companies) is ensured through Enel SpA’s Management System, which provides guidance and coordination to the Group by promoting the dissemination and sharing of best practices and external comparisons with top international players in the area of health and safety. The Business Lines and countries have specific guidelines as part of the procedures of their own management systems according to their specific regulatory and business context, and verify the proper implementation of said guidelines.

(2) Note that this commitment is also enshrined in the Human Rights Policy.

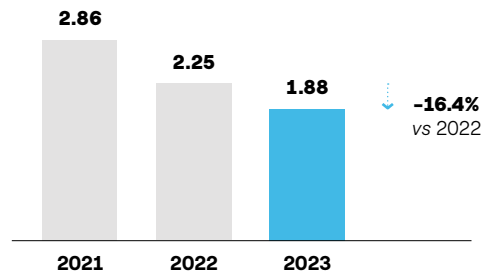
ENEL'S COMMITMENT IS:  
**ZERO INJURIES EVERY DAY,  
ALL DAYS**

Combined values, Enel people and contractor companies

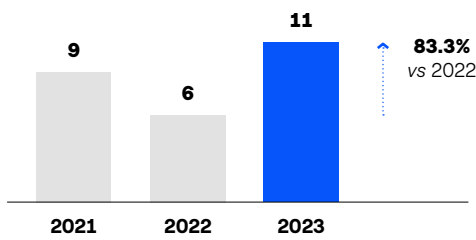
TOTAL RECORDABLE INJURIES  
(TRI)<sup>(1)</sup>



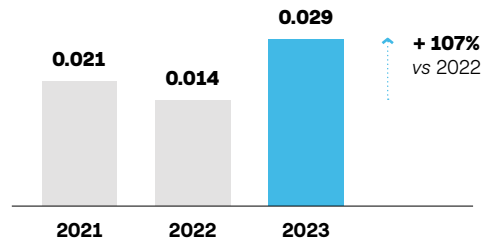
TOTAL RECORDABLE INJURY FREQUENCY RATE  
(TRI FR)<sup>(2)</sup>



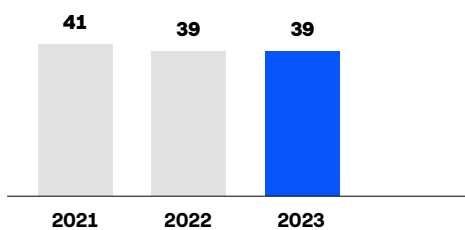
NUMBER OF FATALITIES  
(FAT)



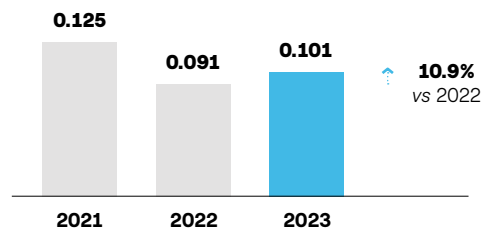
FATALITY FREQUENCY RATE  
(FAT FR)



NUMBER OF MAJOR ACCIDENTS  
(FAT + LCA + HIPO)<sup>(3)</sup>



MAJOR ACCIDENT FREQUENCY RATE (FAT+ LCA + HIPO FR)



- (1) **Total Recordable Injuries (TRI)**: these include all the injury events that cause injuries and include the injuries that caused days of absence from work LTI and First Aid, i.e., injuries that did not require days of absence from work.
- (2) The **Total Recordable Injury Frequency Rate (TRI FR)**, as for all Frequency Rates for the various types of events, is calculated by proportioning the number of events with hours worked expressed in millions.
- (3) The **number of major accidents (FAT+LCA+HIPO)**, understood as the sum of fatal accidents (**FAT** - Fatalities, 11 in 2023), accidents that have caused health consequences that have changed a person's life forever (**LCA** - Life Changing Accidents, 1 in 2023) and accidents that, due to dynamics, have the potential to cause a life-changing or fatal event (**HIPO** - High Potential Accidents, 27 in 2023).

## 2023 AWARENESS CAMPAIGNS TARGETED AT ALL PEOPLE

The “**Safety is achieved together**” campaign is aimed at employees, contractor companies and partners to reflect on the meaning of “safety”, no longer as a set of rules and methods, but as a way of acting, thinking, behaving and working. The goal is to bring about a change in the perception of safety, to incentivize staff (whether in the field, in the office or smart working), to adopt appropriate behaviors, and to encourage individuals to participate in the creation of a safe working environment. The campaign consisted of three phases: the first was aimed at engagement by sending out audiovisual materials (teaser, interview with the Holding’s HSEQ manager, emotional video); the second was aimed at staff involvement by having the entire workforce help build a “safety tower”, placing a brick with a word that best expressed the



meaning of workplace safety for each person; and the final phase focused on the reality of individual Business Lines, with information dedicated to the specific risks faced by their activities. The “**Mai più**” (Never Again) safety campaign was also carried out – a communication initiative with a strong emotional impact, which aimed to make people reflect on the fatalities that occurred in 2023 and to raise awareness among all workers on safety procedures (PPE use, Stop Work Policy, work practices, correct risk identification, etc.).

## “Own workforce” health and safety<sup>(3)</sup>

### Performance analysis

The year 2023 saw significant organizational changes, driven by the divestment plans of some Group countries and by the return of work practices that require increased on-site presence. This transition led to a heightened (though not severe) risk of injury. These changes therefore do not allow for a meaningful comparison with previous safety KPIs. In particular, the change in scope had a negative impact on the injury frequency rate, as there was both a decrease in the number of hours worked (-10% compared to 2022<sup>(4)</sup>), and a slight increase in the number of accidents with absence from work due to the climate of uncertainty and concern in outbound countries. Even in these contexts however, Enel has paid extremely close attention to the health and safety of workers, applying all deterrence and prevention actions, such as controls, inspections and consequence management, which have helped contain the trends.

**Compared to 2022, the number of events with injuries (including first aid) fell by 24.5%** (726 in 2023 compared to 962 in 2022), mainly due to the decrease in injury events

that did not require days off work. The decrease is mainly due to contractors (-32%), with a slight increase in events involving Enel people (+15%). **The Total Recordable Injury Frequency Rate (TRI FR)** follows the same trend, **down 16.4%** (1.88 in 2023 compared to 2.25 in 2022), with around 2 injury events per million hours worked overall. On the other hand, the Lost Time Injury Frequency Rate (LTI FR) was up 22% from last year (0.61 in 2023 compared to 0.50 in 2022) for both Enel people and contractors.

Note that despite the increase in this rate, the total of the highest impact injuries (both actual and potential) – *i.e.*, severe injuries or fatalities, Life Changing (permanently impacting the life of the injured person) and High Potential (HiPo) accidents (which differ only in the impact on the worker, but not in the dynamics of the event) – remained unchanged compared to 2022 (39 events) and were more than 25% lower than the average of the previous three years, and around 45% lower than the pre-pandemic period.

The most severe injuries have different breakdowns

(3) “Own workforce” is defined as all Employees who have an employment relationship with the company and Non-employees who include both individual contractors who provide labor to the Company (“self-employed”) and persons provided by contractor companies that mainly carry out “salaried activities” (NACE Code n78, Annex 2 CSRD 2013/34/EU).

(4) In particular, due to Goiás in Brazil being removed from the scope at the end of 2022.

among the various types: fatalities increased (11 in 2023 vs. 6 in 2022), while Life Changing (1 in 2023 and 2 in 2022) and High Potential accidents (27 in 2023 and 31 in 2022) decreased.

Of the **11 fatalities in 2023**, as a ratio of hours worked (and activities performed), are 0.029 per million hours worked; 9 are associated with electrical risk and 2 with mechanical risk. Three fatalities involved Enel people (2 Enel Grids employees in Romania and 1 Enel Grids employee in Argentina) and 8 contractor workers (3 in Brazil, 2 in Italy and 1 in Spain working for Enel Grids; 1 in Brazil working for Enel Green Power Brazil; 1 in Brazil working for Enel Servizi).

Moreover, the increase in the Lost Time Injury Frequency Rate (LTI FR) compared to last year is also largely due to

the change in work patterns after the end of the COVID-19 pandemic, resulting in an increase in injuries with low potential (*i.e.*, less severe events with only minimal impacts on worker safety). In this regard, despite the increase recorded in 2023, the figure is still lower than in 2019 (-11%), the last comparable year for work modes with higher office attendance<sup>(5)</sup>.

At the end of 2023, work was done on the changes to be made to Policy 106, which provides Group-level guidelines for reporting, analyzing and classifying accident events in order to strengthen the near miss and safety observation<sup>(6)</sup> reporting process, increase the focus on HiPo events, and better trace the root causes of each event to ensure more effective action plans.

## Process of inspections and audits

The inspections process for verifying behavior and compliance with procedures and field work methods has been re-engineered to make it more effective, to ensure greater homogeneity and better detection of at-risk situations (nonconformities), and to create additional opportunities for training, coaching and dissemination of the safety culture. Enel follows a data-driven approach, based on IT tools and analytical dashboards, which make it possible to appraise the performance of the organizational units and contractor companies, and to identify areas at greater risk of fatalities and Life Changing accidents and the subsequent management methods. **More than 529 thousand field inspections were conducted in 2023** (aimed at both Enel people and contractor companies' staff), held evenly over the months of the year, to ensure oversight and control of all activities carried out in the field.

Another control tool used is the Extra Checking on Site (ECoS) assessment, which evaluates the highest risk areas, also taking into account contractors, and the adequacy of the organization and processes in a specific operational area of the Group. These checks are carried out by experienced Health Safety Environment and Quality staff who are external to the business units being checked, supported by business-specific technical profiles. Planning for 2023 included the execution of **101 Safety Extra Checking on Site at Group level**, all of which have been completed.

As far as contracting companies are concerned, safety is integrated in tender processes and the performance

of companies is monitored both in the preventive phase, through the qualification system, and in the contract execution phase, through numerous control processes and tools such as: the Health Safety and Environment Terms (contractual conditions on occupational safety and environmental issues), Supplier Performance Management, Contractor Assessments (CA) and Evaluation Groups. In particular, the contractor companies' qualification system involves a specific assessment of H&S issues according to the level of H&S risk of the activities associated with the various Commodity Groups; in 2023, around 35 thousand companies were qualified, for a total of over 36 thousand active contracts. With regard to H&S audits of contractors in 2023, CAs continued to be carried out at their premises and worksites, or even remotely if field visits were not possible. A total of around 1,215 CAs were carried out across all of Enel's Business Lines and Countries and Regions.

Moreover, **in 2023, the Company held 73 Evaluation Groups (EGs)**, 19 of which are reactive (since they were carried out following an injury), and 54 were proactive (held based on the monitoring of contractor companies' safety performance). These took the form of periodic cross-functional meetings, across all Business Lines and Countries and Regions, which made it possible to assess the safety performance of contractor companies and establish targeted actions and customized support plans for companies in order to reach the desired safety standards and mitigate possible areas of risk in advance.

(5) For more information on safety indicators relating to injuries, please refer to the Appendix "Performance indicators," in the "Health and safety of people" section of this document.

(6) An unsafe practice/situation engaged in by Enel people or contractor staff, or an unsafe/hazardous situation to which Enel people or contractor staff may be exposed, which did not result in an accident, but could cause one.



## Development of health and safety culture: training, information awareness raising

### EU18

The goal of protecting the safety and mental and physical integrity of all people in the Enel Group is the main driver of training, information and awareness raising. To promote technical skills and a culture of safety, support change processes and respond in a timely manner to the needs that arise from the business, the Enel Group has adopted a structured training management process, which aims to transform knowledge into skills and, in turn, practices. **A total of 1,452 thousand hours of training were provided to Enel people** on health and safety issues in 2023. Many of these hours were delivered at the local level, always in compliance with the legislation of their country, based on existing hazards and associated risks, and taking into account the task performed. Approximately 64 thousand hours were developed by Holding HSEQ's SHE Factory unit, which has the specific goal of developing, integrating and harmonizing training projects throughout the Group, dedicated to promoting a culture of safety and environment. Safety projects in 2023 covered a variety of content and targets, and were guided by training needs resulting from data analysis, new Policies or Procedures, and improvement actions arising from the analysis of injuries that occurred during the year. Some of the projects developed during the year include:

- **“Cross risk prevention” course.** The analysis of historical data showed a Group-level increase in minor injuries with less complex dynamics and mild consequences, which led to the development of the “Cross risk prevention” course. The course aims to raise workers’ awareness of generic risks in the work environment, such as slips, collisions, driving, etc., and was taken by around 90% of the Enel Group population.
- **Safety Leadership course.** Accident events that occurred in the distribution area highlighted the need to maintain a high level of awareness and attention from line managers on safety issues, to ensure the right level of involvement of all employees in compliance with safety procedures during field activities. With this in mind, the “Safety Leadership Path” training project was rolled out, involving some 2,500 Enel Grids & Innovability Italia managers, for a total of more than 40,000 hours. This aim of the project was to share all aspects of safety, as a set of procedures, behaviors, skills and relationships, so that they become part of the daily work practices of managers, who are a key link in the dissemination of good practices in the field, leading by example.
- **“Onfield Observer” course.** To ensure a high level of training for inspectors involved in field inspections to detect non-conformities that put workers at risk of inju-

ry, the “Onfield Observer” training path was developed. This stems from the belief that detecting non-conformities and, in turn, establishing corrective and improvement actions, are a fundamental prevention tool, not only for gathering feedback from the field on practices, levels of knowledge and how rules are applied, but also to spread the culture of safety. The training was launched in the Enel Grids & Innovability Business Line and involved over 200 trainers in the various countries who will go on to train new inspectors.

Lastly, some examples of projects developed with the involvement of the Business Lines to cover other areas of training, include:

- **“Gridverse” project – Grids & Innovability.** A pilot project which uses the potential of the metaverse and “wearables” to simulate real interventions that can also be carried out in teams, on virtual plants, and to simulate unforeseen events as well as the human impact of potential errors. The goal is to ensure effective, all-round experiential training.
- **“Major hazards video tutorials” project – Enel Green Power.** A project that involved preparing and disseminating clear and simple videos which, together with work procedures, place the focus on how to perform activities safely.
- **“Sliding Doors” video – Enel X, Global Retail and Grids & Innovability.** A project that involved creating and disseminating **videos in 3D animation**, with the aim of sharing the “lessons learned” from accidents and raising awareness of safety aspects by comparing the scenario of the accident event with what would have occurred if all operational instructions and safety prevention measures had been followed.

Lastly, in 2023, a working group was launched also involving workers’ representatives on safety, which uses agile working modes to redesign their dedicated training course and integrate the technical aspects with the soft skills needed to better perform their role, to further engage professional figures, and to take on a greater and more effective role in the ongoing improvement process. In particular, work has been done on introducing experiential methods and new technologies (video, gaming, case studies, etc.) and Enel testimonials.

**The process of informing staff** is systematically underway through various Company channels, such as intranet news, informational emails, Enel Radio, newsletters and magazines. Periodic surveys are carried out to gather feedback from colleagues on improving processes or safety initiatives launched by the Company.

Lastly, in many Countries, **bilateral committees** are set up with representatives of labor organizations, which aim to establish initiatives together with Enel representatives to improve health and safety aspects in the workplace. In Italy and Spain, for example, the Bilateral Committee on Health and Safety usually meets once a month, and is an opportunity to gather early input on risk assessment and on identifying and implementing prevention initiatives in the Company.

Special attention was also paid to contractor companies with the **"Partnership for safety, health and the environment"** project which, in line with previous years, aims to

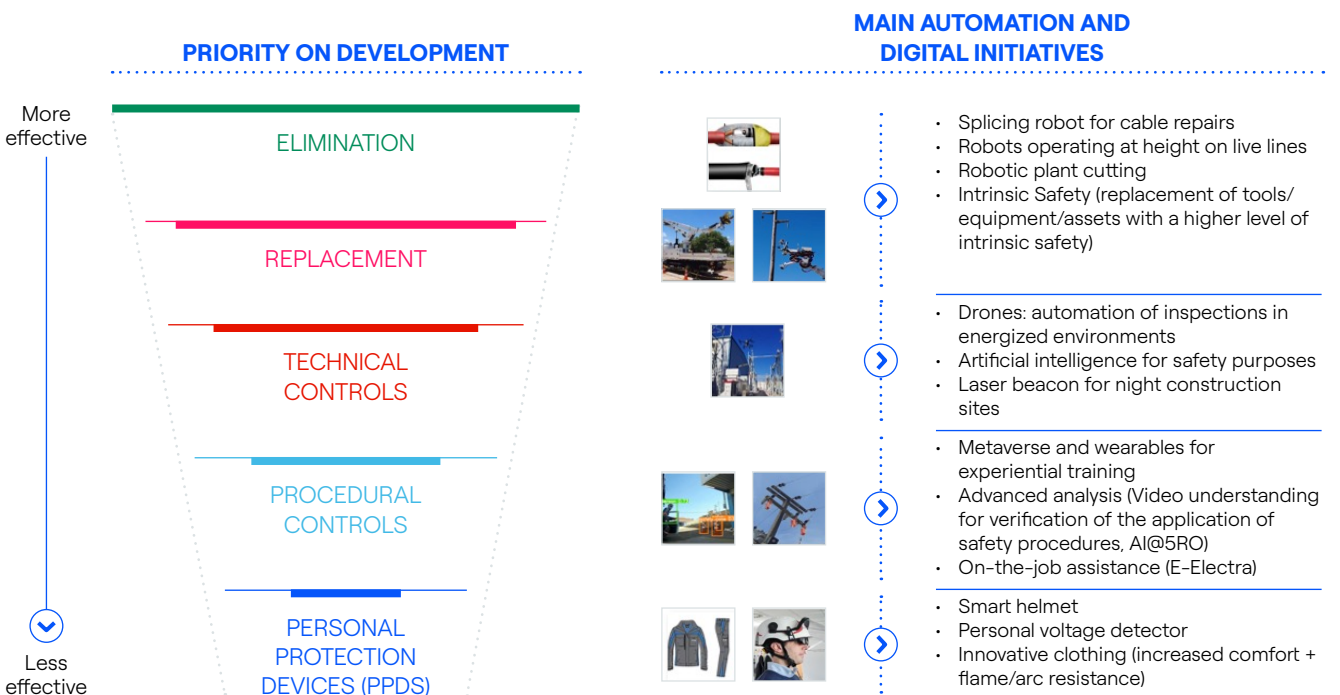
raise contractors' awareness of safety values by sharing best practices. Together with Global Procurement, a portal page was built in June 2022 dedicated to safety and environmental issues, which is open to all contractor companies. This provides information/training materials, key policies and popular illustrative videos so that contractors can access all materials used by Enel for training and communication, with the aim of supporting them to improve their health and safety performance. In 2023, the portal was accessed around 2,300 times by contractor companies operating across the Group.

## Infrastructure safety and technological innovation

Enel sees technological innovation as a valid tool for improving a large number of health and safety processes. In line with previous years, some innovative safety and health projects continued to be developed and applied also in 2023. In fact, adopting innovative technologies is an important operational lever for mitigating and managing safety risk, and is fundamental for further reducing work injuries. The criteria Enel uses when defining its project development priorities follow a **"risk management"** ap-

proach, starting with an analysis of the context in which it is intended to intervene, based also on accident data and the types/frequencies of accidents that have occurred, with the core aim of eliminating the probability of an event occurring (e.g., making all structural changes to physically prevent a worker from being injured – "intrinsic safety") or reducing that probability through various degrees of implementation depending on actual feasibility (inverted pyramid: injury risk management hierarchy).

### PRIORITIZATION PYRAMID ON DEVELOPMENTS FOR INJURY RISK MANAGEMENT





## USE OF REMOTELY GUIDED DEVICES

“Remote Trimming” project  
BRAZIL

“SKYBOT” project  
USA AND ITALY



Most of the innovative initiatives involved Enel Grids, which has the greatest risk of injury due to the type of activities performed. One example is the **“Remote Trimming” project**, where Grids uses a robot which is remotely guided via a joystick to prune vegetation near power lines. The robot holds branches during pruning and safely lays them on the ground, allowing operators to stay out of the most dangerous areas and avoid the risk of electrical contact, falling from height, or falling objects. The system was tested and went live in 2023 in Brazil, where the activity is conducted very frequently and has caused several major injury events in the past.

Innovative systems have also been developed for

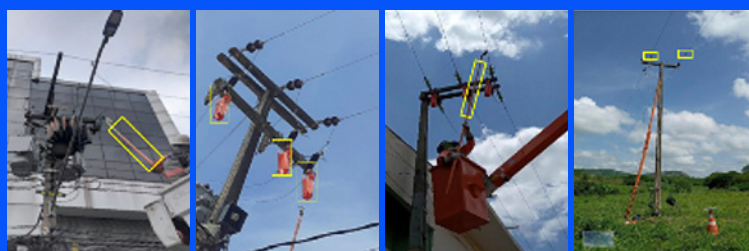
performing **preliminary technical checks** and **operational activities** without human intervention.

One example is the new **“SKYBOT” system**, developed in 2023, which involves using a robot drone to perform inspections and work at height on the medium-voltage overhead grid. The drone is remotely controlled by an operator through a 3D viewer and allows inspections and complex work to be performed safely, away from live parts, thereby eliminating the risk of falling from height and electrocution. In 2024, there are plans to test prototypes in some areas of Grids Italia, followed by a scale-up phase also in other business areas in the two-year period 2025–2026, based on the feedback gathered in the testing phase.



## USE OF ARTIFICIAL INTELLIGENCE

“AI@5RO ON EDGE” project  
ITALY



Also in Enel Grids, with regard to **procedural controls**, the **“AI@5RO ON EDGE”** project was developed in 2023 to digitize, via an app, the 5 Golden Rules procedure, *i.e.*, a set of basic rules for performing work with exposure to electrical risk in complete safety. Thanks to the app, the operator takes photos downstream of the execution of each rule. The photos are then analyzed to detect

incorrect practices and implement preventive actions. The system uses the latest Computer Vision and Deep Learning algorithms, with the goal of automating the examination of all images and alerting operators to risk in less than a second. Further initiatives are being considered to robotize tasks in all Business Lines, with the goal of avoiding human exposure to high-risk activities.

## Employee health

Health is a fundamental value for the care and development of people in the Company, not only at work but also in their daily life. For this reason, the Enel Group has adopted a structured health management system based on preventive and protection measures, and is committed to developing a corporate culture geared toward psychological-physical health, organizational well-being and a good work-life balance.

An approach described in **Policy 179 “Health and Wellbeing”**, which lays out two main drivers of action:

- **health surveillance**, which includes a series of preventive and periodic medical examinations and checks, based on specific health protocols established by the relevant doctor according to the assessment of risks to

which each worker is exposed, in line with the regulations in force in each Country;

- **prevention and well-being initiatives**, which include periodic screening campaigns and checks, workshops and awareness-raising and information initiatives, in Country-specific health and well-being action plans. This includes primary **prevention initiatives** to promote healthy lifestyles and prevent the onset of disease; **secondary prevention** initiatives to reduce the progression of disease through early diagnosis and early intervention; and **tertiary prevention** initiatives to limit the effects of disease or prevent complications.

The table below shows the main initiatives taken by the main countries.

	ITALY	SPAIN	GREECE	USA CANADA	COLOMBIA	CHILE	PERU	BRAZIL	MEXICO	ARGENTINA
Prevention: check-ups and specialist medical consultations	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
Information campaigns on the risks associated with the activities and on the prevention measures to be taken (ergonomics, exposure to UV radiation, etc.)		✔			✔	✔	✔		✔	✔
Information campaigns and advice on cancer prevention, chronic diseases, sexually transmitted diseases, etc.		✔	✔		✔			✔	✔	✔
Information campaigns on mental health and stress management	✔	✔			✔		✔	✔	✔	✔
Vaccinations campaigns	✔	✔	✔		✔	✔	✔		✔	✔
Personal well-being challenge – Active break – Nutrition	✔	✔	✔		✔	✔	✔	✔	✔	✔

Policy 179 requires the various countries to draw up an annual plan of initiatives, based on a “data driven” approach, by monitoring a set of dedicated indicators (Health KPIs) described in the document. The Policy also establishes a **ban on smoking** in all Enel workplaces and outside for a radius of 7.5 m from exits, windows and air sampling points, as required by the Well certification. In fact, in addition to its legislative compliance activities for its own workplaces, Enel has initiated a certification **process for its key locations according to the international Well standard**, which focuses on the well-being of occupants, and takes into account the use of renewable resources and environmental sustainability issues. There are currently 6 sites already certified (“platinum” level), 4 in the submission stage (including 2 that are part of the same building complex), and 7 more in the renovation/documentation collection stage with the aim of gaining Well certification.

One key health issue is the topic of **stress** and **well-being**. In particular, surveys **on work-related stress** are being conducted in many countries. The goal of these initiatives is to have a measure of organizational well-being by monitoring feedback from workers, identifying areas of the organization that need attention, and launching actions to improve the work climate, work organization and autonomous management of activities where necessary, and to promote effective prevention strategies for work-related stress.

The key initiatives on work-related stress risk assessment in 2023 were conducted in Italy and Spain. In Italy in particular, the work-related stress survey was conducted based on a new methodology developed under the protocol in collaboration with INAIL, signed in 2022. This methodology involved analyzing new dimensions such as remote work, the use of new digital technologies, and a focus on newly hired staff. The activity consisted of two phases:

- preliminary survey (January–April 2023): collection and analysis of objective data (sentinel events), detection and analysis of content and context factors, through indicators/focus groups/interviews;
- in-depth survey by administering the questionnaire to all Italy Country employees (September–October 2023).

Moreover, in 2023 Enel planned several initiatives to protect the health and well-being of its workers, such as agreements with health facilities and nutritionist doctors (Wellbeing Program) and psychologists, as well as sports facilities both in Italy and abroad.

Lastly, as part of the initiatives for the prevention of mus-

culoskeletal disorders and for the adoption of preventive measures in the field of ergonomics, an **online training course on minor risks** was launched in 2023 in all Countries, which aimed to encourage correct day-to-day behaviors in the workplace, both in the office and in operating sites or smart working locations. The aim of the course is to prevent injuries and health disorders by tackling bad habits in day-to-day practices, which are often done automatically, underestimating the risks and potential consequences. In addition to ergonomics, the course addresses the risks associated with moving around the workplace and driving, with a specific focus on selective attention.

## Safety towards contractor companies and in contract processes

Companies' performance is constantly monitored both in the preventive phase and during contract execution through numerous processes and tools. The **contractor companies' qualification system** provides for a specific assessment of H&S issues according to the H&S risk of the activities associated with the various Merchandise Groups (GMs): for **low-risk** GMs, the qualification process involves only the completion of an H&S questionnaire (self-assessment) by the company; for **medium risk**, a field assessment is also carried out by Enel (Contractor Assessment); and for **high risk**, there is an additional requirement to possess ISO 45001 certification.

In view of an increasingly objective assessment of the level of H&S risk associated with GMs, a new methodology was defined in 2023, adopting a **"risk-based"** approach, which involves assessing the H&S risk level of a GM as a product of the **probability** of an injury occurring, multiplied by the **severity** of the potential injury, according to the type of risks associated with the GM's activities. This method was formalized in **Policy 2414** "Methodology for assessing the H&S and ENV risk level of the Merchandise Groups", published in December 2023. In 2023, a re-evaluation of the H&S risk level of GMs was initiated according to the new methodology. Specifically, 155 GMs were evaluated (14 high risk, 14 medium risk, and 127 low risk), for 79% of which the current risk level was confirmed, while for 21% the risk level was re-evaluated (4 GMs went from low to high risk, 26 GMs from low to medium risk, and 2 GMs from high to low risk). The analysis so far has mainly involved low-risk GMs for services or supplies with installation, and will be extended in 2024 to the remaining GMs for medium and high H&S risk.

During the tender phase, a specific document is prepared (**HSE Terms**), and attached to all contracts that must be signed by contractors when the work is awarded. The document, which is the same throughout the entire Group, defines the obligations in relation to health, safety and environmental aspects that the contractors must respect,

placing the same obligation on their subcontractors. This tool clarifies Enel's requirements and conveys their importance to contractors; it also defines a list of safety and environmental violations that can involve specific penalties, up to the termination of the contract and/or suspension of qualification on the Enel contractor companies' portal. With a view to using indicators that can predictively measure the effectiveness of contractors' safety processes and guide prevention strategies based on a "data-driven" approach, the Enel Group has adopted a set of KPIs, the most important of which is the **Fatality Risk Index (FRI)**. This predictive parameter is based on a **modular logic**: through the weighted combination of the main safety indicators (such as injuries, hours worked, inspections and non-compliance), it establishes the level of accident risk of the specific contractor operating in a specific Country or at Group level. The FRI therefore aims to intercept possible critical situations that could cause an injury. All contractors' safety KPIs, including the FRI, are available to all units involved (e.g., O&M, E&C, HSEQ, Procurement) so that each one, for its own remit, can assess the safety performance of the contractor company and, in turn, act to mitigate or prevent all risks by enacting consequence management actions.

There are two types of consequence management, which are applied to high- and medium-risk GMs for H&S: proactive and reactive.

**Proactive consequence management** introduces a preventive and selective approach of monitoring contractors, with the aim of anticipating and correcting possible future critical issues. It involves ongoing monitoring of contractors' H&S performance to guide and apply a customized set of corrective and/or improvement measures.

The aim of **reactive consequence management**, on the other hand, is to evaluate the measures to be taken against the contractor involved in critical health and safety events (HiPo accidents–LCA–Fatalities). In this regard, a cross-functional committee (Evaluation Group) is formed, consisting of contact persons from the HSEQ and Procurement Functions and the Business Line concerned to

evaluate all applicable measures. In the Evaluation Group, the dynamics of the accident, the possible degree of responsibility of the contractor company, the level of safety culture within the contractor company's organization, as well as the performance of safety KPIs over time, are analyzed to assess corrective/improvement actions for the contractor company.

Both consequence management processes end with phased actions depending on the severity of the situa-

tion. These range from increased inspections by Enel or the contractor company itself, safety support from Enel, additional Contract Assessments, specific action plans for the contractor company which Enel monitors and to which more significant actions may apply, periodic meetings with the contractors' top management to discuss the progress of safety KPIs, joint Enel-Contractor safety walks, as well as a reduction in the scope or volume of activities, or suspension of the contractor.

## Health and safety of communities and third parties

### | 416-1 |

Establishing solid and long-lasting relations with local communities in the countries in which Enel operates represents a fundamental pillar of the Group's strategy. This, while also paying constant attention to social and environmental factors, makes it possible for Enel to adopt a new fair development model that does not leave anyone behind, and create shared value over the long term for all stakeholders.

Enel adopts the best safety and efficiency standards for all installations and plants in the local area, not only to comply with legal requirements and good engineering standards, but also to avert the risk of injury to third parties. Indeed, the Enel Group pays close attention to the prevention of injuries occurring to the population, for example, due to accidental contact with power grids, at construction sites close to lines or sports activities, such as fishing, recreational activities, etc. For this reason, the Group has adopted a **process for monitoring third-party accident events** that occur in the various countries where it operates, classifying them by type, frequency, and business areas impacted, on a par with the injuries of its own employees and contractors. Moreover, awareness campaigns are conducted periodically, targeted at both the general public and specific categories, such as construction companies and sports associations. In many countries, such as

Brazil and Italy, school meetings are organized, as well as training/awareness-raising at plants, meetings with local communities and trade associations (artisans, construction companies, electricians, fishing associations, etc.), distribution of leaflets, awareness-raising in DIY stores, etc. The goal of these initiatives is to prevent as much as possible third-party injury events tied to Enel's installations within communities. For example, injuries due to kites accidentally coming into contact with live lines (which in the past has significantly affected Brazilian children) have decreased by around 70% in the last 4 years thanks to these initiatives (40% decrease in 2023 compared to 2022).

Lastly, again with the aim of ensuring the health and safety of the community and reducing the impact on the external environment due to typical Company activities, **Enel carries out periodic monitoring campaigns**, including, for example, measuring the level of electromagnetic fields of the distribution plants, and detecting the level of noise, vibrations and dust generated by the electrical machinery of the power plants and distribution/transformer substations. The following environmentally significant factors are also monitored: atmospheric emissions and air quality, effluent discharge into surface waters, water quality, production, reuse and disposal of waste, soil quality, biodiversity impacts.

## Customer health and safety

The Enel Group pays the utmost attention and care in protecting the safety of all its customers in the various countries in which it operates. All Enel products are designed, manufactured and distributed according to the highest standards and in compliance with the regulations and/or product specifications in force in the coun-

tries where they are marketed, in order to guarantee the safety and health of consumers, as well as high-quality performance. Enel is therefore committed to meeting the requirements for maintaining international certifications for the products it sells.

## Emergencies management

The Group has established a common crisis and critical events management system across the various countries where it operates, as described in Policy 24 "Critical Event Management". This system involves evaluation of the impact caused by critical events by means of a standard reference scale with three levels. High-impact crises are managed centrally, while medium- or low-impact crisis situations are managed within the specific organization in the individual countries.

High-impact crises ("Group Red Code") are also 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 sets out strategies and actions to deal with critical events and coordinates all actions to restrict damage to people, and to the Enel Group's property, profitability and reputation.

While the critical event involves risks to the health and safety of people, Policy 203 "Guideline for Emergency Management" sets out, at global level, the immediate emergency measures to be launched, in compliance with locally adopted safety management systems.

In 2023, updates were initiated to the emergency management procedures in civilian locations in order to make this process even more responsive to the new hybrid work model, which involves the presence of on-site staff alternating with smart working. Enel has also completed the development of new digital tools both to support managers in monitoring attendance and managing emergency workers at the various locations, and to give workers constant access to information on the emergency management staff present at their places of work.

## 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/strategy-sustainable-progress/occupational-health-and-safety/enel-nuclear>).

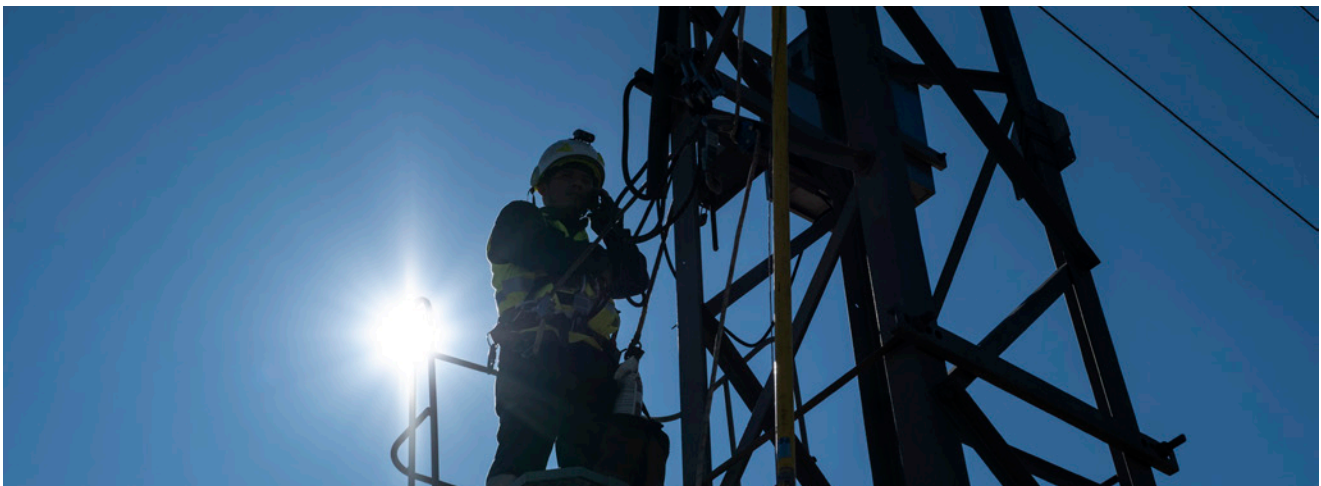
## Industrial relations on health and safety topics

In order to consolidate the culture of safety and promote the adoption of behaviors that are consistent with Company policies, Enel supports social dialogue and participation of workers' representatives. Joint committees have been set up in the main countries where Enel is present, dedicated to monitoring the issues and projects concern-

ing workers' health and safety at both national level and by Business Line. The focus on health and safety is also reiterated in the Global Framework Agreement (renewed in October 2023), as well as in the People's Charter. The following details concern the commissions that operate in the main countries at national and/or local level.

### COUNTRY JOINT COMMITTEES FOR HEALTH AND SAFETY

<b>ITALY</b>	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 <b>Bilateral Commission on workplace safety and protection policies</b> in force since 2012. This commission plays a role in the analysis and promotion of projects, procedures and initiatives in the field of occupational health and safety, as well as the main training courses in the field of safety culture. In 2023, the main areas of commitment were the progressive relaxation of COVID case prevention and management measures, the work-related stress risk assessment campaign, the new training course for RLSA, the "Changing the habits" project on quality of sleep and dreams for personal and organizational well-being, and the "Safety Leadership" project to promote a culture of safety among team leaders. A bilateral Health and Safety body is also operating in the Network Area, which follows the guidelines dictated by the Bilateral Commission, in the specific context of the Network (Health and Safety Bilateral Bodies, OBSS). It mainly deals with the analysis of accident trends, to propose innovative safety projects, to analyze any training plans, to modify operating instructions. Both the Committee as well as the Health and Safety Bilateral Bodies are particularly active, with periodic meetings on average every month, in order to review in particular all the aspects correlated to the management of safety issues in order to identify and accompany innovative projects targeted towards continuously improving the prevention of injuries, but above all to work on the safety culture also as specified in the <b>Charter of the Person</b> .
<b>SPAIN</b>	The <i>Comisión de participación y control</i> has been set up on the national level, while the local level is handled by <i>Comités de seguridad y salud territoriales</i> .
<b>ARGENTINA</b>	The plants have bilateral committees that carry out activities related to health and safety issues. The agreement does not specify the frequency with which the meetings are held (generally every two months).
<b>CHILE</b>	The mixed health and safety committees are active and have the task of avoiding occupational injuries by implementing measures for the prevention of risks for employers, promoting permanent work and programs on the safety of work places.
<b>PERU</b>	There are bilateral committees (workers and Company representatives) that approve occupational health and safety policies according to law.
<b>BRAZIL</b>	The <i>Comissão interna de prevenção de acidentes</i> has been established at all sites, which is comprised of Company representatives and worker representatives; the committee focuses on the creation of injury prevention initiatives.
<b>COLOMBIA</b>	There are two joint health and safety committees (COPASSTS).
<b>MEXICO</b>	The Health and safety committee is active: as required by law, there is a Mixed Commission for Safety and Hygiene (MCSH) for each plant, including also the corporate offices. This represents the obligations of the employer according to "NOM019-STPS-2011" (constitution, integration, organization and operation of the safety and hygiene commissions), being a bipartisan body comprised of an equal number of worker and employer representatives, whose purpose is to identify hazardous and unsafe agents and conditions, investigate the causes of occupational injuries and illnesses; suggest measures for preventing them, and to control observance. The personnel part of the Mixed Commission for Safety and Hygiene (MCSH) perform a safety walk at each plant and site every three months.





# Security

In terms of security services for the protection of the Company's people and property, Enel ensures that overall management is entrusted to a dedicated Function at Group level (Security). In the last quarter of 2023, it was placed directly under the CEO, with the mission of monitoring risks and threats, including IT, adopting and raising the efficiency – both nationally and internationally – of all measures to prevent, combat or mitigate any possible im-

pact on people and assets, including those deriving from climate change. From this point of view, of particular importance is the new element represented by the creation, within the unit known as "International Security", part of the "Climate Security" division, to make it possible to apply an increasingly holistic vision of security based on purely corporate protection models.

## Safe travel

As of 2016, Enel people traveling 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.



# SOUND GOVERNANCE

## SUSTAINABILITY PLAN PILLAR

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)

SOUND GOVERNANCE



Enel is constantly striving to strengthen its Governance system, which aligns with national and international best practices. This system supports the Company's activities, as well as its relations with all stakeholders involved. The activities carried out in 2023 in line with the previous 2023-2025 Sustainability Plan, with the commitment to ensure continuous improvement of the Governance system, are listed below.

TARGETS	2023 RESULTS	SDGs
<b>BOARD OF DIRECTORS AND TOP MANAGEMENT</b>		
<b>Diversity Policy</b> Monitoring the implementation of the Board of Directors' Diversity Policy	The composition of the Board of Directors appointed by the Meeting of May 10, 2023 is entirely consistent with the objectives set out in the Diversity Policy for the various types of diversity. In any case, it is worth noting that all the Directors elected at this Meeting are in their first year in office at Enel and therefore there is no balanced distribution of tenure within the current Board of Directors. However, following their appointment, an intensive induction program on the Enel Group's main business areas and corporate governance was implemented to provide the incumbent Directors with the necessary know-how to perform their duties as effectively as possible.	
<b>Recommendations and best practices</b> Continual alignment with international recommendations and best practices for corporate governance	Alignment with international best practices on corporate governance, and with the recommendations of leading proxy advisors and institutions.  Full compliance with the Italian Corporate Governance Code.  Participation in the corporate governance roadshow, which provides an opportunity to discuss requests from institutional investors and proxy advisors.	
<b>Induction plan</b> Structured induction plan for Directors and Statutory Auditors during their term in office, including with regard to sustainability issues	Induction activities were carried out in 2023 to ensure that Directors and Statutory Auditors have adequate knowledge of the Enel Group's corporate governance, as well as the sectors in which it operates, market trends and the regulatory framework of reference. Further induction activities have also been planned for early 2024, including in relation to sustainability issues.	
<b>Engagement</b> Monitoring the implementation and possible updating of Enel SpA's Engagement Policy and supporting the Investor Relations unit in engagement activities with institutional investors and proxy advisors on corporate governance issues	Enel SpA's Engagement Policy has been properly implemented.  The Corporate Affairs unit has regularly supported the Investor Relations unit in engagement activities with institutional investors on corporate governance issues.  The Corporate Affairs unit carried out engagement activities with proxy advisors on corporate governance issues.	

### Goals



New



Redefined



Outdated

### Progress



Not in line



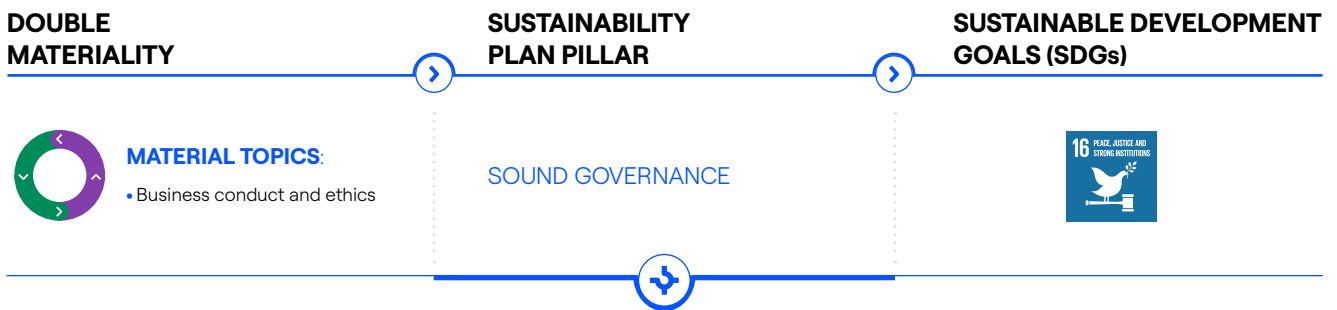
In line







Achieved

N.A. = not applicable, target not included in the 2023-2025 Sustainability Plan

TARGETS	2023 RESULTS	SDGs
<b>Board review</b> Board review carried out with the support of an independent consultant	Board review activities began in November 2023 and ended in February 2024.	
<b>Share Ownership Guidelines</b> Monitoring of the implementation of the Share Ownership Guidelines, which apply to Chief Executive Officer and executives with strategic responsibilities, regarding the minimum level of ownership of Enel shares they must achieve within a given timeframe from their appointment and must maintain during their term in office	Following an in-depth analysis of national and international best practices and at the proposal of the Nomination and Compensation Committee, in March 2023 the Board of Directors adopted the "Share Ownership Guidelines" which set out the minimum level of ownership of Enel shares that the Chief Executive Officer and executives with strategic responsibilities must achieve and maintain over time, thereby strengthening the alignment of their interests with those of all shareholders over the long term. The "Share Ownership Guidelines" came into effect on May 10, 2023, after the approval of the 2023 remuneration policy by the Enel Shareholders' Meeting, and are now fully in place.	



ORGANIZATIONAL MODEL AND COMPLIANCE PROGRAM		
<b>Anti-corruption certification</b> ISO 37001 anti-corruption certification maintained for the main Italian companies, extended also to the Group's foreign companies	100% retention of ISO 37001 certifications acquired by Group companies.	
<b>Compliance Program</b> Ongoing improvement of Compliance Programs/Models for the prevention of criminal risks	Enel's Global Compliance Program is continuing to be adopted by Group companies, particularly newly acquired or established companies. In 2023, a new policy was published on the protection of whistleblowers, as well as a new organizational procedure setting out the principles on the management of the stewardship model.  Ongoing updates to the criminal risk prevention models for Enel Group companies.	
<b>Training on ethical issues</b> Online training on ethical issues (e.g., Model 231, Anti-corruption Management System, Enel Global Compliance Program)	Online training on ethical issues was extended to all employees of the Group's Italian and foreign companies. A comprehensive review and update of training on anti-corruption issues was conducted in 2023. Additional training on criminal risk prevention models was also provided.	
<b>International sanctions risk prevention program</b> Ongoing improvement of the sanctions risk prevention process	Ongoing monitoring of the regulatory environment and updates to the international sanctions risk prevention process to ensure full compliance with the relevant regulations.	

# SOUND GOVERNANCE

| 2-1 | 2-9 | 2-12 | 2-17 | 2-29 |

## 44%

**PERCENTAGE OF WOMEN ON ENEL SPA'S BOARD OF DIRECTORS**

44% in 2022 **0%**

## 7

**ENEL SPA'S BOARD OF DIRECTORS MEETINGS CONCERNING SUSTAINABILITY**

12 in 2022 **-41.7%**

## 207

**REPORTS CONCERNING THE CODE OF ETHICS**

172 in 2022 **+20.3%**

## 41

**VIOLATIONS OF THE CODE OF ETHICS**

29 in 2022 **+41.4%**

## 7

**DATA BREACHES**

7 in 2022 **0%**

Enel is a Company listed since 1999 on the Euronext Milan stock exchange and managed by Borsa Italiana SpA, with one of the highest number of shareholders of any Italian company. Notably, the **shareholder structure at December 31, 2023** was as follows: **(i) 58.6% institutional investors; (ii) 17.8% retail investors; (iii) 23.6% Ministry of the Economy and Finance.**

Enel's corporate structure includes the main international investment funds, insurance companies, pension funds and ethical funds, thanks also to the adoption, by the Company and the Group, of the best international practices on transparency and corporate governance. Moreover, at the date of this Sustainability Report, the Enel Group includes a further 11 companies issuing shares listed on the Brazilian, Chilean, Peruvian, Spanish, and US stock exchanges.

## Policy for managing the dialog with institutional investors and with all shareholders and bondholders

Enel considers it to be in its specific interest, as well as a duty toward the market, to ensure **a constant and open relationship that is based on the mutual understanding of the roles with all shareholders and bondholders, as well as with the institutional investors and their representative associations** in order to increase the relative level of understanding regarding the activities performed by the Company and the Group. In this context, Enel maintains dialog with counterparties based on principles of fairness and transparency, in compliance with EU and national regulations on market abuse, as well as in line with international best practices. This engagement activity has led to the positive result, over recent years, of a significant increase in participation of the institutional investors in the Shareholders' Meetings.

In order to regulate the methods for developing this dialog, in March 2021 the Board of Directors adopted a specific Policy, (i.e., **"Engagement Policy"**), acting on a proposal of the Chairman made in agreement with the Chief Executive Officer, which clarified to a large extent the practices already followed by Enel and whose use takes into account the applicable best practices adopted by the institutional investors and reflected in the stewardship codes.

This Engagement Policy, which was applied consistently during 2023, also identifies the corporate structures that, in line with the practices established by Enel from the moment their shares were listed on the stock exchange, are responsible for the dialog activities, and specifically with: (i) a specific Investor Relations unit which is part of the Administration, Finance and Control Function, which interacts on a continuous basis with the institutional investors (as well as with the financial analysts and the rating agencies); as well as (ii) a specific area in the Corporate Affairs unit, which is in turn part of the

Legal, Corporate, Regulatory and Antitrust Affairs Function, which interacts on a continuous basis with the retail shareholders and bondholders, providing them with all useful explanations regarding the respective issues of interest.

The information provided to Enel's institutional investors and all their shareholders and bondholders by the above-indicated organizational structures – as well as by any other duly authorized Company member – complies with the criteria of truthfulness, clarity, coherence, completeness and symmetry of information; the information is also supplied in a timely manner and in compliance with what is required by the regulation adopted by Enel regarding the processing of corporate information.

In particular, the Investor Relations structures are, for example, responsible for the following: (i) preparing Enel's equity story and organizing meetings between the Company's Top Management and the financial community; (ii) managing relationships with ratings agencies and with the fixed income investors; (iii) managing relationships with institutional investors and financial analysts; (iv) coordinating the management of relationships with the institutional investors who have an interest in the listed share capital controlled by Enel; (v) preparing market analyses and reports concerning Enel shares, also monitoring the consensus of the financial analysts; (vi) supporting the External Relations Function, in coordination with the Corporate Affairs unit, with the definition of Enel's price sensitive press releases, as well as developing and updating the content dedicated to investors on the Company website.

For more details, refer to the Report on Corporate Governance and Ownership Structure for 2023. Also, Enel's website ([www.enel.com](http://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.

In 2023, Enel continued its commitment as patron of the United Nations Global Compact (UNGC) initiative on **Transformational Governance** ("TG"), aimed at exploring new decision-making models to support sustainable investments.

As part of this initiative, the TG Corporate Toolkit has been drawn up, which consists of:

**a.** a Self Assessment Tool;

**b.** three Issue Briefs: (i) Transformational Governance & the Role of the Corporate Board and Executive Leadership; (ii) Transformational Governance & Responsible Governmental Engagement; (iii) Investing in Transformational Governance;

**c.** a Report: "Transformational Governance Think Lab: Insights from the engaging the legal function".

# Corporate governance model

| 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 |

Enel's corporate governance system complies with the principles contained in the Italian Corporate Governance Code published on January 31, 2020<sup>(1)</sup> (the "Corporate Governance code"), to which the Company adheres as a "large company"<sup>(2)</sup> with "non-concentrated ownership," and is also inspired by the international best practices. The corporate governance system adopted by Enel is oriented toward the goal of sustainable success, given that it is aimed at creating value for shareholders over the long term, aware of the importance from an environmental and social point of view of the Enel Group's operating activities and the consequent need to proceed with

adequate consideration of all the interests of the relevant stakeholders.



For a detailed illustration of Enel's corporate governance, please refer to the **Report on Corporate Governance and Ownership Structure for 2023**, which is available on the Company's website ([www.enel.com](http://www.enel.com)); please also refer to the **specific section of this Sustainability Report** for an illustration of the governance of sustainability and the management of climate change.

## Board of Directors

| 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 | 2-16 | 2-17 | 2-18 | 3-3 | 405-1 |

The Board of Directors in office was **appointed by the Ordinary Shareholders' Meeting of May 10, 2023** and consists of nine members.

Enel applies **diversity criteria**, also in relation to gender, in the composition of the Board of Directors, in line with the priority goal of ensuring adequate competence and professionalism of its members. Specifically, in January 2018 the Board of Directors, acting on a proposal of the Corporate Governance and Sustainability Committee and the Nomination and Compensation Committee, and in implementation of what is required by the Consolidated Law on Finance, approved a **diversity policy** that describes the optimal characteristics of the Board's composition to ensure it can fulfil its duties as effectively as possible, making decisions that can tangibly benefit from the contribution of a plurality of different qualified members able to examine the issues under discussion from diverse perspectives. The Board of Directors, whose term expires with the approval of the financial statements for the 2022 financial year, in providing shareholders with its **guidance on the optimal size and composition of the Board of Directors**, with a view to its renewal by the Ordinary Shareholders' Meeting of May 10, 2023, expressly took into account the criteria set out in the diversity policy. The composition of the Board of Directors appointed by the above-mentioned Shareholders' Meeting fully respects the objectives set out in the said policy for the

various types of diversity.

The Board of Directors held 15 meetings in 2023, of which 6 addressed climate-related matters, reflected in the strategies and related implementation methods.

Following the appointment of the Board of Directors decided on by the Ordinary Shareholders' Meeting of May 10, 2023 and taking into account the renewal of the entire Board, the Company organized a special **induction program** aimed at providing the Directors with adequate information 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. During 2023, several induction sessions were held that covered the corporate governance of the Company and the Group, the structure and operation of the electricity system in general, as well as in-depth analyses of the Group's Business Lines (*i.e.*, Enel Green Power and Thermal Generation, Global Energy and Commodity Management and Chief Pricing Officer, Enel Grids, Enel X Global Retail) and the Staff People and Organization Function. Finally, an induction session dedicated to climate change was held in February 2024.

The **maximum number of offices** that the members of the Board of Directors can hold on the Board of Directors or governing bodies of other companies of a relevant size is regulated by a specific corporate policy, which was last updated in 2020 in order to adapt the contents to

(1) It is available on the Borsa Italiana website (at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020-eng.en.pdf>).

(2) The Corporate Governance Code defines a "large company" as any company whose capitalization exceeded 1 billion euros on the last trading day of each of the previous three calendar years, as well as "company with concentrated ownership" as any company in which one or more shareholders participating in a shareholders' agreement have, directly or indirectly (through subsidiaries, trustees or intermediaries), the majority of the votes exercisable at the Ordinary Shareholders' Meeting.

the relevant best practices prepared by the main proxy advisors and relevant institutional investors.

In order to regulate the way in which the Company engages with institutional investors and with all shareholders and bondholders, in March 2021 the Board of Directors adopted a specific policy (*i.e.*, “**Engagement Policy**”), acting on a proposal of the Chairman formulated in agreement with the Chief Executive Officer, which clarified to a large extent the practices already followed by Enel and whose use takes into account the applicable best practices adopted by the institutional investors and reflected in the “stewardship” codes. In this regard, during 2023, the Company maintained an ongoing dialog with institutional investors, also with reference to certain profiles concerning sustainability, with a particular focus on climate change.

In relation to the topic of succession plans for executive directors, in September 2016 the Board of Directors, acting on a proposal of the Nomination and Compensation Committee made in agreement with the Corporate Governance and Sustainability Committee, shared the contents of a specific “**contingency plan**” aimed at regulating the steps to be taken to assure proper management of the Company in case the Chief Executive Officer ceas-

es to hold office before the end of their ordinary term (defined as “crisis management” cases).

Finally, at the end of 2023 and during the first months of 2024, with the assistance of an independent consultant, the Board of Directors carried out an assessment of the size, composition, and functioning of the Board itself and its Committees (*i.e.*, “**board review**”), in line with international best practice in corporate governance assimilated in the Corporate Governance Code. The board review was conducted also in accordance with the peer-to-peer review method, *i.e.*, through assessment not merely of the operation of the body considered globally, but also of the style and contents of the contribution provided by each of its members, and was extended to the Board of Statutory Auditors. In the context of the board review, the Directors’ questionnaires and interviews also concerned the implementation of the principles of sustainability in the strategies and business model of the Company and the Group, together with the attention devoted by the Board of Directors to sustainability (especially the energy transition and its impacts). The results of the board review are provided in Enel’s Report on Corporate Governance and Ownership Structure for the 2023 financial year.

## Enel’s governance model for sustainability

| 2-9 |

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

The **Board of Directors** plays a central role in corporate governance as the body vested with powers related to the strategic, organizational and control policies of the Company and Group, and pursues the sustainable success of the same. In this context, the Board of Directors takes into account the need to pursue sustainable success particularly: (i) when defining Company and Group strategies; (ii) when drawing up the remuneration policy for the Chief Executive Officer/General Manager and Key management personnel, defining specific sustainability objectives the achievement of which is linked to a significant component of the variable pay; and (iii) with regard to the Company’s Internal Control and Risk Management System (“SCIGR”), aimed at the effective and efficient identification, measurement, management and monitoring of the main corporate risks, including those of an ESG nature.

The Board of Directors has also established internal board committees with the power to investigate, propose and advise, in order to ensure an adequate internal division of

its functions, as well as a related parties committee. In particular, the following committees have been established:

- **Corporate Governance and Sustainability Committee**, which among other things assists the Board of Directors on sustainability issues, including issues relating to climate change and the dynamics of the Company’s interaction with all stakeholders. More specifically, with regard to sustainability issues, the Committee examines: (i) the guidelines of the Sustainability Plan and the materiality matrix – which identifies the priority issues for stakeholders in light of the Enel Group’s industrial strategies – periodically assessing achievement of the objectives defined in the Plan itself; (ii) the way in which the sustainability policy is implemented; (iii) the general outline and structure of the content in the Non-Financial Statement referred to in Legislative Decree 254/2016 and the Sustainability Report, as well as the completeness and transparency of the information contained therein and its consistency with the principles laid down by the reporting standard used. In 2023, it addressed sustainability issues in 6 of the 7 meetings held;
- **Control and Risk Committee**, which is tasked, among other things, with supporting the assessments and decisions of the Board of Directors relating to the SCIGR,

also with regard to risks that may be relevant from a sustainability perspective, and to the approval of periodic financial and non-financial reports. During 2023 it dealt with sustainability issues in 9 of the 14 meetings held;

- **Nomination and Compensation Committee**, which is tasked, among other things, with supporting the Board of Directors in its assessments and decisions relating to the size and optimal composition of the Board itself and its Committees, as well as the remuneration of Directors and Key management personnel. In this regard, the remuneration policy for 2023 provides for specific sustainability targets the achievement of which is linked to a significant component of the variable pay of the Chief Executive Officer/General Manager;
- **Related Parties Committee**, which performs the tasks required by the CONSOB regulations and by the specific Enel procedure governing transactions with related parties.

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

- the **Chairman** of the Board of Directors acts as a link between the executive and non-executive directors and is responsible for ensuring the effective operation of the board; he also plays a **proactive role in the process of approving and monitoring corporate and sustainability strategies**;
- the **Chief Executive Officer** is primarily responsible for the management of the Company and acts as the director in charge of the establishment and maintenance

of the SCIGR. Also, in exercising the powers granted, **he has defined a sustainable business model** by identifying a strategy aimed at guiding the energy transition to a low carbon model;

- responsibility for sustainability-related activities is entrusted to a specific business unit called “**Sustainability**”, located within the “Enel Grids and Innovability” Function, which plays a role guidance and coordination at Group level with regard to both sustainability management processes and activities in Countries, Business Lines and Holding Company Staff Functions.

With specific reference to **governance for the management of climate change**, see the “Zero emissions ambition and just transition” chapter of this document, while with regard to the management of issues related to the **protection of natural capital**, see the “Roadmap towards natural capital conservation” chapter.

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



For more information on the activities carried out by the corporate bodies, please refer to the **Enel Report on Corporate Governance and Ownership Structure**, available at [www.enel.com](http://www.enel.com), “**Governance**” section.

## Remuneration policy

| 2-18 | 2-19 | 2-20 | 2-21 |

Enel’s remuneration policy for 2023, which was adopted by the Board of Directors acting on a proposal of the Nomination and Compensation Committee and approved by the Shareholders’ Meeting of May 10, 2023, was defined in consideration of (i) the recommendations contained in the Italian Corporate Governance Code, published on January 31, 2020; (ii) the national and international best practices; (iii) the information that emerged from the favorable vote of the Shareholders’ Meeting of May 19, 2022 on the remuneration policy for 2022; (iv) the results of the engagement activities regarding corporate governance carried out by the Company between January and February 2023 with the main proxy advisors and some relevant institutional investors with an interest in Enel capital; (v) the results of a benchmark analysis regarding the remuneration of the Chairman of the Board of Directors, the Chief Executive Officer/General Manager and the Non-Executive Directors of Enel for 2022, which was prepared by the independent consultant Mercer.

The purpose of this policy is to (i) promote Enel’s sustainable success, which is based on the creation of long-term value to the benefit of its shareholders, taking into due consideration the interests of the other relevant stakeholders, in order to encourage reaching the strategic goals; (ii) attract, retain and motivate people with the skills and professionalism required for the delicate managerial tasks assigned to them, in consideration of the compensation and work conditions of the Company and Enel Group employees; as well as (iii) promote the Company mission and values.

The remuneration policy for 2023 sets out the following compensation for the Chief Executive Officer/General Manager and for Key management personnel (referred to as DRS – Dirigenti con Responsabilità Strategiche):

- **a fixed component**;
- **a short-term variable component (MBO)**, to be paid based on the achievement of specific performance targets. Specifically:



- for the Chief Executive Officer/General Manager, the 2023 MBO is based on the following annual performance targets:
  - Ordinary consolidated net income;
  - Funds from operations/Consolidated net financial debt;
  - Commercial complaints at Group level, accompanied by the gateway objectives represented by: (i) System Average Interruption Duration Index – SAIDI and (ii) commercial complaints on the free commodity market in Italy;
  - Index of frequency of injuries at work, accompanied by the gateway objectives represented by fatalities;
- for the DRS, the respective MBO identify the annual objectives and specific objectives correlated to the Strategic Plan and identified together with the Administration, Finance and Control Function and by the People and Organization Function;
- **a long-term variable component** linked to participation in specific multi-annual incentive plans. In particular, for 2023 this component is linked to participation in the Long-Term Incentive Plan destined for the management of Enel SpA and/or of its subsidiaries pursuant to article 2359 of the Italian Civil Code (“LTI Plan 2023”), which sets out the following three-year performance objectives:
  - average Enel TSR (Total Shareholders Return) vs average Euro Stoxx Utilities – UEM index TSR in the three-year period 2023-2025;
  - cumulative ROIC (Return on Invested Capital) – WACC (Weighted Average Cost of Capital) in the three-year period 2023-2025;
  - Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO<sub>2eq</sub>/kWh) to 2025, accompanied by the gateway objective represented by Scope 1 GHG emissions Intensity relating to Power Generation (gCO<sub>2eq</sub>/kWh) to 2025;
  - percentage of women in the Top Management succession plans at the end of 2025.

**The 2023 LTI Plan also requires any premium accrued to be represented by a share component, to which** – based on the level of achievement of the various targets – **a monetary component can be added.** In particular, with respect to the total incentive accrued, the LTI Plan 2023 provides that: (i) for Enel’s Chief Executive Officer/General Manager, up to 150% of the base value, the incentive is paid in full in Enel shares; (ii) for the first carry-overs of Enel’s Chief Executive Officer/General Manager, including DRS, up to 100% of the base value, the incentive is paid in full in Enel shares; (iii) for other recipients, other than those indicated in points (i) and (ii), up to 65% of the base value, the incentive is paid in full in Enel shares. The LTI Plan 2023 provides that the shares to be disbursed pursuant to the latter will be purchased in advance by Enel and/or its subsidiaries. In addition, the disbursement of a significant portion of the long-term variable remuneration component (70% of the total) is deferred to the second subsequent financial year with respect to the three-years of reference for the objectives of the 2023 LTI Plan (i.e., “deferred payment”).



For more information on the contents of the 2023 remuneration policy, refer to the **Report on the Enel remuneration policy for 2023 and on the compensation paid in 2022**, available on the Company website ([www.enel.com](http://www.enel.com)).

Finally, the table below presents for 2019, 2020, 2021, 2022 and 2023 the ratio between the total remuneration accrued both by the Chief Executive Officer/General Manager of Enel in office until the Shareholders’ Meeting of May 10, 2023, and by the Chief Executive Officer/General Manager of Enel appointed by the said Meeting and the average gross annual remuneration of Group employees (i.e., “**pay ratio**”). This report is indicated, for complete disclosure, also in reference to only the fixed component of the remunerations in question.

	2023	2022	2021	2020	2019
Pay Ratio – Ratio between the total remuneration of the CEO/GM of Enel in office until May 10, 2023 and the average annual gross remuneration of Group employees <sup>(1)</sup>	25x (11x fixed remuneration)	62x (32x fixed remuneration)	92x (34x fixed remuneration)	145x (35x fixed remuneration)	142x (36x fixed remuneration)
Pay Ratio – Ratio between the total remuneration of the CEO/GM of Enel in office since May 12, 2023 and the average annual gross remuneration of Group employees	43x (20x fixed remuneration)	N.A.	N.A.	N.A.	N.A.

(1) In order to make the figures for the financial years 2023, 2022, 2021, 2020 and 2019 comparable, the figures for 2022 to 2019 have been restated by applying the 2023 exchange rate to remuneration.

# The Enel Group risk governance model

| 2-12 | 2-15 | 2-23 | 3-3 | 201-2 |

When performing its industrial and commercial activities, the Enel Group is exposed to risks that could influence its economic and financial results if they are not effectively monitored, managed and mitigated.

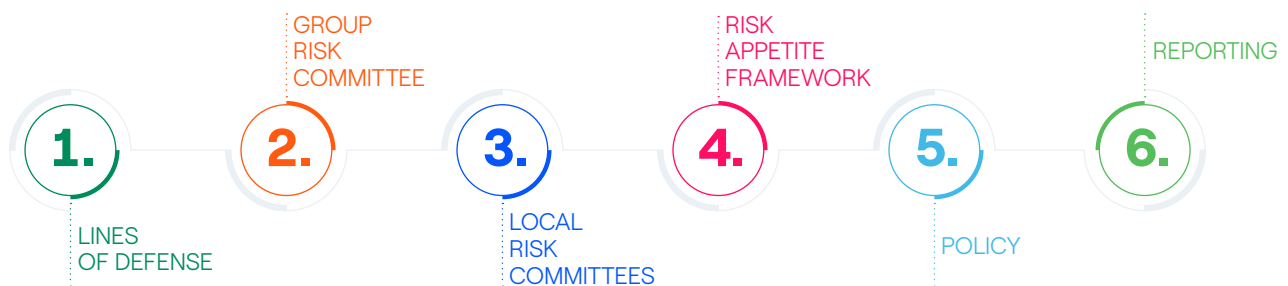
In this regard, in compliance with the architecture of the Internal Control and Risk Management System ("ICRMS")<sup>(3)</sup>

adopted by Enel, the Group has also implemented a risk governance model based on certain "pillars" as set out below, as well as a homogeneous taxonomy of risks (so-called "risk catalog") that facilitates management and organic representation.

## The "pillars" of risk governance

Enel has adopted a reference framework concerning risk governance that is expressed in detail through specific management, monitoring, control and reporting measures for each of the identified risk categories.

The Group's risk governance model is in line with national and international best practices in risk management and is based on the following pillars:



**1. Lines of defense.** The Group adopts measures that are structured according to three lines of defense for the risk management, monitoring and control activities, in compliance with the segregation of roles in the main scopes in relation to the relevant risks.

**2. Group Risk Committee.** This body, which is established on a managerial level and chaired by the Chief Executive Officer, is responsible for activities related to the strategic direction and supervision of risk management through:

- the analysis of the main exposures and the main risk topics for the Group;
- the adoption of specific risk policies applicable to Group companies in order to identify the roles and responsibilities for the risk management, monitoring and control processes, in compliance with the principle of organizational separation between the structures responsible for management and those responsible for the monitoring and control of risks;
- the approval of specific operating limits, authorizing, where necessary and suitable, operational deroga-

tions in the case of specific circumstances or requirements;

- the definition of risk response strategies.

The Group Risk Committee generally meets four times a year and can also be convoked, if considered necessary, by the Chief Executive Officer and by the manager of the Risk Control unit, which is part of the Administration, Finance and Control Function.

**3. Integrated and wide-spread system of local risk committees.** The presence of specific local risk committees, according to the main Global Business Lines and Countries and Regions of the Group and chaired by the respective senior managers, guarantees a suitable control of the risks most relevant on a local level. The coordination of these committees with the Group Risk Committee facilitates the opportunity for sharing information and mitigation strategies regarding the most relevant exposures with the Group's Top Management, as well as for implementing on a local level the guidelines and strategies defined on a Group level.

(3) More details can be found in the Report on Corporate Governance and Ownership Structure ([www.enel.com](http://www.enel.com), "Investors" section), as well as in the ICRMS guidelines available in the "Governance" section.

4. **Risk Appetite Framework (“RAF”).** The Risk Appetite Framework represents the framework of reference for determining the appetite for risk and is an integrated and formalized system of elements that make it possible to define and apply a unique approach to the management, measurement and control of each risk. The RAF is summarized in the Risk Appetite Statement, a document that briefly describes the identified risk strategies and the indicators and/or limits applicable to each risk.
5. **Risk policies.** The allocation of responsibilities, the coordination mechanisms and the main control activities are represented in specific policies and organizational documents defined according to specific approval procedures that involve the directly involved Company structures.
6. **Reporting.** Specific and regular information flows on risk exposures and metrics, expressed on the level of the Group and the single Global Business Lines or Countries and Regions, allow Top Management and

Enel’s corporate bodies to have an integrated vision of the Group’s main exposures to risk, both current and future.

7. **ENEL Group Risk Landscape®.** Based on risk governance and according to the international Risk Management standards ISO 31000:2018, the Group constantly monitors risks thanks to a process supported by a data visualization tool (e-Risk Landscape®). This system collects and organizes contributions from the Group’s various Countries and Regions and Business Lines, categorizing them according to the definition of the risk catalog adopted by the Group. The monitoring and control process involves the assignment of metrics based on the probability of occurrence of risk events (likelihood) and the extent of potential economic and financial impact, providing the Group’s Top Management with a dynamically updated view of the Group’s risk profile and management and mitigation actions. These dimensions, modulated by means of representative grids, give an indication of the level of individual risks.

## The Group’s “risk catalog”

Enel has a “risk catalog” that represents the reference point on a Group level and for all the Company structures involved in the risk management and monitoring processes. Adoption of a common language facilitates mapping and organic representation of risks within the Group, thus permitting the identification of the main type of risks that influence Company processes and of the roles of the organizational units involved in their management.

With the scope of the above-mentioned “risk catalog”, the types of risk are grouped into macro-categories, which include, as shown below, the strategic, financial and operational risks, risks of (non) compliance, risks related to governance and culture as well as digital technology.





## The main ESG-related risks

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 risk identification and assessment stage, the “Precautionary Principle”<sup>(4)</sup> 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-related risks** and the actions intended to mitigate their effects and assure their correct management.

(4) Rio Declaration on Environment and Development (Rio de Janeiro, June 3-14, 1992), Principle 15.

STRATEGIC		<p><b>MACROECONOMIC AND GEOPOLITICAL TRENDS</b></p> <p><b>LEGISLATIVE AND REGULATORY DEVELOPMENT</b></p> <p><b>COMPETITIVE LANDSCAPE</b></p>
	<p><b>RISK DEFINITION</b></p>	<p>Risk of ineffective identification, evaluation and monitoring of the economic-financial, political and global social trends, as well as changes to monetary, tax and commercial policies.</p> <p>The risk of adverse legislative and regulatory developments and/or ineffective identification, evaluation, management and monitoring of legislative and regulatory changes in terms of communication of the new obligations for compliance, advocacy activities and internal gap analyses. Risk of an insufficient systematic process for the evaluation of regulatory exposures deriving from new strategic and business initiatives.</p> <p>Risk of ineffective identification, evaluation and monitoring of evolving market trends that can have an impact on competitive positioning in markets, growth and Group profitability.</p>
	<p><b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b></p>	<p>The strong internationalization of the Group – located in various regions, including South America, North America and Africa – makes Enel obligated to consider and assess the so-called “Country risk”, which consists of risks of a macroeconomic and financial, institutional and social nature and those associated with the energy sector, which could cause a significant effect on income flows and the value of company assets if they occur.</p> <p>The Group also operates in regulated markets and changes in the operating rules of the various systems, as well as the associated requirements and obligations, influence the Group’s trend of operations and results.</p> <p>The analysis of the competitive landscape and the consequent risks associated with market trends are significant elements of the analysis of the context in which the Group operates and defines its business ambitions.</p>
<p><b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b></p>	<p>Enel has adopted a quantitative Open Country Risk assessment model that is able to monitor the risk of the Countries within its own scope. The Open Country Risk model aims to go beyond the more conventional definition of Country risk focused on the ability of a government to repay its issued debt, to offer a broader view of the risk factors that can impact a country. Specifically, the model is divided into four risk components: economic, institutional and political, social and energy factors.</p> <p>Legislative and regulatory developments are constantly monitored, such as the periodic review of the regulations in the distribution sector and the processes of liberalization of the electricity markets, with particular attention to the acceleration expected in Italy, and to the expectations of evolution in Latin America. In relation to risks that may arise from these changes, relations were intensified with local government and regulatory bodies, adopting an approach based on transparency, collaboration and proactiveness in addressing and removing sources of instability of the legislative and regulatory framework.</p> <p>The risks associated with market trends are also mitigated by the periodic monitoring of competitors’ comparative industrial and financial performance.</p> <p>Assessment is carried out through a framework aimed at (i) identifying the most relevant competitors and peers, (ii) analyzing their results, the main business drivers, strategic and industrial objectives, and (iii) understanding their current and prospective positioning.</p> <p>The process of identifying the relevant companies is periodically updated to ensure timeliness in the collection of information, KPIs and signaling elements useful for the Group’s positioning and strategic planning activities.</p>	
	<p> See also what stated in the <b>Integrated Annual Report</b>.</p>	



## CLIMATE CHANGE

### RISK DEFINITION

Risk of ineffective identification, evaluation and monitoring of the risks related to climate change – caused by acute or chronic climatic events (physical risk) and the effects of regulatory, technological and market trends deriving from the transition toward a low carbon emissions economy (transition risk) – by means of strategic and operative initiatives for adaptation to and mitigation of climate risks.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

**The physical risks arising from climate change can be classified as acute (or extreme events) or chronic:** the former are linked to extremely intense weather-climatic conditions, while the latter refer to gradual and enduring changes in climatic conditions.

**Extreme events** may expose the Group to potential unavailability of assets and infrastructure, service restoration costs, inconvenience for customers, etc. **Chronic changes** in climatic conditions, on the other hand, may expose the Group to other physical risks or opportunities (depending on the geographical location): for example, structural changes in rainfall or wind patterns could impact the Group's business in generation terms, while structural temperature changes can impact electricity demand.

With regard to the **energy transition process towards a more sustainable model** with a progressive electrification and reduction in CO<sub>2</sub> emissions in line with the Group's decarbonization strategy, there are risks, but above all opportunities, tied to both the changing regulatory context and the technological and electrification trends, and resulting market developments, with potential effects also on commodity and energy prices.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

The Group is committed to the **continuous improvement of the environmental impact** of its activities. In this context, the Group has brought forward its public commitment by 10 years, from 2050 to 2040, to complete the decarbonization process of its entire value chain, including its own direct and indirect emissions (so-called "Net Zero").

Along its path to complete decarbonization, Enel has created a roadmap that has medium-term objectives by 2030 with respect to the levels of the year of reference 2017, certified by the Science Based Targets initiative (SBTi) in line with the 1.5 °C pathway. In particular, the Company is committing to reducing: (i) 80% of direct greenhouse gas emissions connected to power generation per kWh, in line with the 1.5 °C pathway, as already certified by the Science Based Targets initiative (SBTi), (ii) 78% of the emissions connected to electricity sales per kWh, (iii) 55% of the absolute emissions connected to the retail sale of gas and (iv) 55% of the other absolute direct and indirect emissions. The Group's strategic actions make it possible to mitigate the potential risks and exploit the opportunities associated with transition variables. In this context, capital employment is centered on decarbonization through the development of assets for generation from renewable sources, on enabling infrastructure linked to the development of networks, and on the implementation of platform models, fully exploiting technological and digital evolution which will favor consumption electrification and the development of new services for end customers.

Furthermore, **Enel participates in the entire electricity value chain** and has a **diversified activities portfolio**, both in terms of generation technologies and the Countries and Regions in which it operates, mitigating climate change risks and their implications in terms of economic and financial impacts.

The management of weather and climate phenomena adopts the best **strategies for prevention, protection and increasing resilience**. For example, the Group uses weather forecasts, procedures for the management of adverse events and monitoring and analysis activities that provide for the definition of actions to protect and increase resilience, both for existing assets and for those under construction. Also, best practices are implemented in relation to physical events to ensure prompt recovery of operating conditions following adverse events.

In terms of insurance risk assessment activities, the Group manages loss prevention global programs for property and liability risks, aimed at covering losses relating to damages to assets, business interruptions and damages to third parties. Such activities also include the assessment of the main exposures linked to natural events and, together with prevention and resilience enhancement measures, contribute to optimizing the insurance strategy. The Group develops short, medium and long-term scenarios in the energy and macro-economic financial spheres in order to support its strategic and industrial planning activities, investments assessment, scenario planning activities and activities related to extraordinary transactions.

All these activities, together with the integration of climate and transition scenarios and the development of an energy model at country level, enables a **prompt assessment of the risks and opportunities relating to climate change**. This approach makes it possible to intercept effects on variables such as electricity demand, the system energy mix and consumption electrification. In addition, the Group's policies define guidelines for the assessment of risks and opportunities relating to climate change.



See also the chapter "[Zero emissions ambition and just transition](#)" of this document.



## STAKEHOLDER ENGAGEMENT

### RISK DEFINITION

Risk of ineffective engagement of key stakeholders in relation to the strategic positioning of Enel regarding sustainability and financial objectives, due to the lack of understanding, anticipation, or orientation of their expectations, which may not be completely integrated into the Group's business strategy and sustainability planning processes, with a negative impact on its reputation and competitiveness.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

The risk of **ineffective engagement of key stakeholders** in relation to the strategic positioning of Enel, 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, 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.

At December 31, 2023, **socially responsible (SRI)** funds constituted approximately 175% of the share capital (up on the 14.9% at December 31, 2022), while PRI (Principles for Responsible Investment) signatory investors represent 42.8% of the share capital (vs 42.1% at December 31, 2022). Possible incorrect or incomplete disclosure by Enel of the results obtained, and likewise ineffective communications to the financial community of its strategy, which aims to create value for customers, society, and the environment, could have significant negative impacts on the assessment of Enel's shares and bonds.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

**Engaging communities and understanding the different contexts** in which the Group operates is therefore essential to develop a sustainable business that minimizes impacts while promoting inclusive and equitable growth in the local area.

The management of relations with the communities in which Enel operates is an enabling factor for all sustainability activities and is achieved by integrating the needs of local communities into the development of its business activities, from the growth of renewables to the digitalization of grids and the electrification of uses.

Aware that the Group's activities can have a direct and indirect influence on the communities in which it operates, Enel adopts a **model of shared value creation** with them along the entire value chain, which integrates social as well as environmental sustainability criteria into the various processes from the early stages of development, moving towards circularity solutions, technological innovation, and harmonious integration with the territory. This model is in line with the main international standards of reference (such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises), which underpin Enel's commitment to human rights in business practices.



See also the chapter "[Engaging communities](#)" of this document.



## CYBER SECURITY

### RISK DEFINITION

Risk of cyber attacks and theft of sensitive or massive Company and customer data, due to a lack of network, operating system and database security.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

The speed of technological development, which brings an **endless stream of new challenges, the frequency and intensity of the ever increasing number of cyber attacks**, as well as the tendency to strike critical infrastructure and strategic industrial sectors, highlight a risk that can cause normal business operations to grind to a halt in extreme cases. Cyber attacks have changed dramatically in recent years: the number has grown exponentially, as has their level of complexity and impact. Within the scope of the Group, the management of the cyber risk results, among other aspects, from the numerous contexts in which it operates (data, industry, and people), in addition to the intrinsic complexity and interconnection of digital resources which, over the years, have been increasingly integrated into the Group's routine operating processes. In this context, it is clear that cyber risk must be managed without hesitation and in an integrated manner. In a nutshell, technological transformation would be unthinkable without paying careful attention to cyber security issues.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

To oversee cyber risk, the Group has defined the **Cyber Security operating model** and a related process framework. Specifically, the operating model defines roles and responsibilities for the implementation of the framework's processes, providing for an *ad hoc* unit, whose responsibility is entrusted to the CISO (Head of Cyber Security) and integrated into a matrix also aimed at the Group's business areas. In addition, the Group has designed and adopted a holistic framework of processes aimed at management of cyber security issues, applicable across the board to the Information Technology (IT), Operational Technology (OT) and Internet of Things (IoT) sectors. The framework defines a governance model based on the commitment of Top Management, the global strategic approach, the involvement of all business areas, as well as the units engaged in the design and implementation of the IT, OT and IoT systems to act as a solid basis for the complete fusion of technologies, processes, and people. The framework is based on two essential principles, *i.e.*, the "risk-based approach" and "cyber security by design". The former establishes that risk assessment is the prerequisite for strategic decisions and for the secure development and maintenance of all assets of the business organization; the latter ensures the adoption of cyber security principles from the outset and throughout the entire life cycle of solutions, services, and infrastructures in all areas, *i.e.*, IT, OT, and IoT. In applying this framework, the cyber risk management method has been established. It is also applicable to all IT, OT and IoT environments and includes the phases required to carry out a risk analysis and define the related mitigation plan, in line with the stated cyber security goals. To balance the advantages obtained by the operation and use of IT/OT/IoT systems with the risk that can potentially derive from them, well-informed, risk-based decisions are of fundamental importance.

Enel has also set up a **Cyber Emergency Readiness Team (CERT)** to respond to and proactively manage possible cyber security incidents.

To measure the possible impacts of cyber risk in economic and financial terms, Enel has developed the "Cyber Value-at-Risk" ("Enel Group Cyber V@R<sup>®</sup>") methodology, which is currently evolving, to calculate Value-at-Risk in different attack scenarios.



See also the chapters "[Digitalization](#)" and "[Innovation](#)" of this document.



## DIGITALIZATION, IT EFFECTIVENESS, AND SERVICE CONTINUITY

### RISK DEFINITION

Risk of the ineffective management of company processes and higher operating costs due to a lack of digitalization in terms of coverage of work flows, system integration and adoption of new technologies.

Risk of ineffective IT system support for business processes and operating assets.

Risk of exposure of IT/OT systems to service interruptions and data loss.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

The Group is carrying out a **complete digital transformation** of the management of the entire energy value chain, developing new business models and digitalizing its business processes, integrating the systems and adopting new technologies. One result of this digital transformation is that the Group is increasingly exposed to risks relating to the operations of IT systems integrated across the Company, with impacts on processes and operating assets that could lead to the exposure of IT and OT systems to service interruptions or data losses.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

Control of such risks is guaranteed by a series of internal measures developed by the Group to oversee the digital transformation. In particular, an **internal control system** has been set up, which introduces control points along the entire IT value chain, enabling the Group to prevent the emergence of risks relating to such issues as the creation of services that do not meet business needs, the failure to implement adequate security measures and service interruptions. The internal control system oversees both the activities performed in-house and those outsourced to external associates and service providers. Enel is also promoting the **dissemination of digital culture and skills** within the Group, so as to guide the digital transformation successfully and minimize the associated risks.



See also the chapter "[Digitalization](#)" of this document.



## ENVIRONMENT

### RISK DEFINITION

Risk that inadequate work operations or machinery can have a negative impact on the quality of the environment and the involved ecosystems.

Risk of infringement of international, national or local laws and regulations.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

Over the last few years, there has been a growing awareness within society of the risks arising from **development models that involve impacts on the environment and ecosystems, with a particular emphasis on global warming and the increasing exploitation and degradation of water resources**. These impacts have led to increased concern for the quality of the environment and the health of ecosystems, with a growing awareness of the associated risks.

The analysis of the environmental risks associated with Enel's activities was conducted using an integrated and multifunctional approach, based on the results of the **materiality analysis for impacts and dependencies**. The assessment made it possible to identify the main operational and economic-financial risks resulting from the potential environmental and social impacts associated with the various activities and technologies, including the impact related to land occupation and ecosystem transformation, the depletion of natural resources, including the impact related to water scarcity conditions, and the pollution of environmental matrices.

In addition to operational risks, **reputational and transitional risks** were also assessed, resulting from possible changes in the regulatory, technological, or market framework and the associated opportunities.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

Enel is committed to the prevention and minimization of environmental impacts and risks in every activity and throughout the entire life cycle of projects. The adoption of **ISO 14001-certified Environmental Management Systems** within the Group also ensures the presence of structured policies and procedures to identify and manage the environmental risks and opportunities. A structured control plan combined with actions and improvement objectives inspired by the best environmental practices mitigates the potential impacts on the environmental matrix and consequently reputational damage and legal disputes. Enel has also taken multiple actions to achieve the challenging environmental improvement goals, concerning e.g., atmospheric emissions, waste produced, water withdrawal, especially in high water stress areas, and impacts on habitats and species.

**The impact in high water stress areas is mitigated directly by Enel's development strategy** based on the growth of generation from renewable sources, which do not essentially depend on the availability of water for their operation, and by the adoption of advanced solutions to reduce consumption in traditional combustion plants.

With regard to ecosystems, Enel adopts **measures to protect and conserve biodiversity and natural habitats**, following the mitigation hierarchy (avoiding, reducing, remedying, and compensating) and monitoring the effectiveness of actions. In particular, collaboration with local river basin management authorities favors the most effective shared strategies for the sustainable management of hydroelectric generation assets.

Enel also actively participates in the international debate on nature and biodiversity with stakeholders and the networks with the most influence on the topic, such as Business for Nature, Taskforce on Nature-related Financial Disclosures, World Business Council for Sustainable Development and Science Based Targets for Nature.



See also the chapter "**Roadmap towards natural capital conservation**" of this document.





## HEALTH AND SAFETY

### RISK DEFINITION

Risk that inadequate work environments, structures, machinery and operations can have a negative impact on the health and safety conditions of employees and other involved stakeholders.

Risk of infringement of international, national or local health and safety regulations.

### REFERENCE SCENARIO AND DESCRIPTION OF RISK

Generating a strong and sustainable safety culture, shared by all members of the organization, is a strategic goal. Enel is therefore committed to defining increasingly healthy and safe processes, conditions and working environments for its employees, for the companies that collaborate with it, for its customers and for the third-party communities with which it interacts on a daily basis, including by promoting dedicated training courses.

The main health and safety risks to which Enel's people and contractors are exposed are related to the operating assets carried out at the Group's sites and assets. These risks can vary, or even change, depending on economic and social trends, as well as the introduction of digitalization into processes and operational activities. Another type of risks related to health and safety are those due to non-compliance with the laws and regulations in force, which have an impact on people's health and safety, and which can lead to administrative or judicial sanctions, and therefore to economic, financial, and reputational impacts on the Enel Group.

### MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS

Each of the Group's Business Lines has its own **Health and Safety Management System in compliance with the international standard UNI ISO 45001**, which also takes into account the rigor in the selection and management of contractors and suppliers. The Management System is based on the identification of hazards, the qualitative and quantitative assessment of the risks, including economic-financial and reputational risks, the planning and implementation of the preventive and protective measures, the check of the effectiveness of these measures and any corrective actions. These systems make it possible to ensure regulatory compliance, to verify the effectiveness of processes and related remedial actions and, finally, to ensure the diffusion and dissemination of a "risk-based" approach, as well as a robust organizational and individual culture on more general health and safety issues. The key document for these systems is the Group's Health and Safety Policy, shared with the Board of Directors and signed by the Chief Executive Officer, which sets out the guiding principles, strategic objectives, approach and guidelines, and priorities for action to continuously improve performance in the field of health and safety at work.

From an operational point of view, **health and safety risks are assessed specifically at each site or Company asset on the basis of the activities carried out by workers and external environmental conditions**. This assessment makes it possible to identify prevention and protection measures for safety in the workplace and to plan their implementation, improvement and control, in order to verify their effectiveness and efficiency. At Group level, the analysis of the events of the last three years shows that, in relation to probability of occurrence, mechanical risks (falls, knocks, crushing and cuts) are the most common, while in terms of potential associated impact, electrical risks are those with the most severe consequences, *i.e.*, fatalities, life change, and HiPo (High Potential, which differ from fatalities, and life-changing only relating to the consequences for the worker but not in terms of dynamics).

**Constant monitoring of behavior and compliance with procedures and methods of working in the field** aimed at the proper management of risks to health and safety at work by both internal staff and contractors is ensured at Enel by a process of inspections, managed both by internal staff and by certified companies, which is aimed at identifying situations at risk (non-compliance) and the relevant plans containing remedial actions, including training courses, coaching, and dissemination of safety culture.

With regard to **contractors**, Enel's approach is to consider them as partners with whom to share the key principles of health and safety for its workers, who are therefore considered on an equal footing with internal employees in the application of these principles and in the attention to occupational health and safety issues. Therefore, safety is integrated into the procurement processes and the performance of the companies is monitored both in the preventive phase, through the qualification system, and in the execution phase of the contract, through numerous control processes and tools such as the Contractor Assessment (analyses performed on contractors during the qualification phase or in cases where critical issues or low scores emerge in the evaluation of indicators) or the Evaluation Groups (periodic cross-functional meetings, distributed across all Global Business Lines and Countries and Regions, to assess the security performance of suppliers and decide on consequence management actions).

In addition to procedural and operational aspects, another important driver in the proper management of health and safety risks is related to **training, awareness and information activities for people**. In order to promote the growth of technical skills and a culture of safety, supporting change processes, and responding in a timely manner to the needs that emerge from the business, the Enel Group has adopted a structured training management process, which aims to transform knowledge into skills and therefore into behavior.

In addition, Enel systematically promotes the process of informing and raising awareness among staff through various company channels such as intranet news, information emails, newsletters, and magazines, periodically carrying out surveys to collect feedback from colleagues on the improvement of processes or communication initiatives aimed at raising awareness among all workers on compliance with safety procedures and carving out moments of collective reflection on the dynamics and causes that have resulted in severe injuries or fatalities.


Finally, Enel is also constantly engaged in external discussions with top international players operating in the energy sector and beyond, through participation in intercompany roundtables set up, with a view to continuous improvement, to share best practices in the field of health and safety, in terms of both operational processes and innovative initiatives.



See also the chapter "**Health and safety of people**" of this document.




## CUSTOMER NEEDS AND SATISFACTION

<b>RISK DEFINITION</b>	Risk of the failure to reach customer expectations and requirements in terms of the quality, accessibility, sustainability and innovation of Group products and services.  Increase in the number of vulnerable customers and energy poverty due to an increase in the price of electricity.
<b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b>	The leadership of a company like Enel necessarily passes through customer care and attention to quality service, 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.
<b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b>	<p>The Company is constantly committed to <b>maximizing value for customers</b>:</p> <ul style="list-style-type: none"> <li>• responding in a comprehensive, effective and structured manner to the needs of customers, starting from listening to them and identifying their needs, taking into account the target audience and its geographical and social context;</li> <li>• using analytics to understand habits, expectations and consumption styles, and therefore developing products and services that are increasingly customized and responsive to their needs;</li> <li>• through continuous improvement, increasing the efficiency and effectiveness of process management and focusing on digitalization;</li> <li>• increasing their awareness of their consumption, to identify the most convenient offers and to be able to choose ways to increase their energy efficiency;</li> <li>• accompanying them toward electrification.</li> </ul> <p>In addition, Enel disseminates <b>innovative and inclusive products and services</b> for all customers, including those in vulnerable conditions (e.g., due to age, disability, and economic vulnerability).</p> <p>The Group regularly monitors the rate of <b>customer satisfaction</b> in every country in which it operates through specific surveys and analysis of the received feedback.</p> <p> See also the chapters "<a href="#">Zero emissions ambition and just transition</a>" and "<a href="#">Customer centricity</a>" of this document.</p>




## PROCUREMENT, LOGISTICS, AND SUPPLY CHAIN

<b>RISK DEFINITION</b>	Risk of ineffective procurement activities or contract management due to an inadequate definition of supplier requirements or their qualification process, frequent recourse to direct awards, deficiencies in scouting activities, insufficient monitoring of compliance with contractual obligations, failure to apply penalties.
<b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b>	Enel could be exposed to reputational, economic or financial risks following ineffective procurement activities along the entire process. Starting from the supplier qualification phase in which, for example, an analysis is not performed regarding environmental and social aspects (including work practices, such as refusal of forced or child labor, respect for diversity and non-discrimination, freedom of association and collective bargaining, fair and favorable working conditions); during the tender stage, not requiring specific sustainability requirements; during the entire contract period without correctly monitoring the requirements applied in the tender; in the case of excessive recourse to direct awards, and the failure to apply penalties.
<b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b>	<p>Global Procurement contributes to creating a <b>resilient and sustainable supply chain</b>, urging thinking in terms of circular economy, encouraging innovation, sharing the Group's values and objectives with suppliers who, as such, become enablers to achieve Enel's targets. More specifically, in tenders it is possible to apply rewarding factors or mandatory requirements aimed at generating virtuous behavior on the part of suppliers. These include: 1) rewarding factors related to the measurement and reduction of suppliers' Carbon Footprint, which encourage them to undertake improvement paths; 2) rewarding factors related to social aspects, such as training and employment of people belonging to local communities and actions aimed at respecting gender diversity; 3) mandatory human rights requirement inherent in the mapping of the potential supply chain involved in the supply of strategic product categories.</p> <p>From the perspective of the procurement process, the various units adopt the practice of <b>tenders</b>, guaranteeing the maximum competition and equal opportunity of access to all operators having the necessary technical, economic-financial, environmental, safety, human rights, legal and ethical characteristics. Procurement by direct award and without a competitive procedure can occur only in exceptional suitably motivated circumstances in compliance with the relevant statutory legislation. Moreover, the global supplier qualification system, the same one throughout the Group – even before the procurement process starts – checks begin that potential suppliers are in line with the strategic corporate vision and the adopted policies.</p> <p>With regard to the risk governance system, Global Procurement is focused on the application of <b>metrics</b> that indicate the level of risk before and after the mitigation action, in order to implement precautionary actions to reduce uncertainty to a tolerable level or to mitigate any impacts in all business, technological and geographical areas. The effectiveness of risk management in the supply chain is monitored using specific indicators, including various factors such as the probability of insolvency, the concentration of contracts with individual suppliers or industrial groups, the supplier's dependence on Enel, the performance index for proper conduct during the tender, quality, punctuality and sustainability in the execution of the contract, Country risk, etc., for which thresholds are defined that guide the definition of the procurement, negotiation and award strategy of a tender, allowing informed choices of risk and potential benefit. In addition, through a specific contractual obligation, Global Procurement constantly monitors the performance of suppliers in order to identify any corrective actions.</p> <p> See also the chapter "<a href="#">Sustainable supply chain</a>" of this document.</p>








## BUSINESS INTERRUPTION

<b>RISK DEFINITION</b>	Risk of the partial or total interruption of company activities due to technical faults, malfunction of goods and systems, human error, sabotage, unavailability of raw and/or semi-processed materials or adverse climatic events.
<b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b>	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.
<b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b>	<p>Enel has <b>systems and mechanisms to guarantee a continuous and safe energy supply</b> to the national electrical systems of the countries in which it operates. Enel 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.</p> <p>Enel implements adequate <b>protocols, plans and actions</b> to ensure the smooth running of its business activity worldwide or, if necessary, its rapid recovery in the event of service interruptions.</p> <p>Here are some examples of the actions taken:</p> <ul style="list-style-type: none"> <li>during 2023, extremely intense wind storms were also recorded in urban areas in <b>Brazil</b>, causing branches and trees to fall. In response, Enel defined a so-called "Crash Program", which focuses on two main axes: <ul style="list-style-type: none"> <li>to prepare the network for these conditions with an extraordinary pruning and cutting plan, in full agreement with the municipalities, and with optimized maintenance management on critical assets;</li> <li>to improve the ability to handle emergencies: both from an operational point of view, with constant monitoring of weather forecasts and the relevant adjustment of available resources, and in the management of information flows to all stakeholders;</li> </ul> </li> <li>in recent years, in <b>Italy</b>, the weather phenomena with the greatest impact have been summer heat waves. In response, Enel's solution involves upgrading the existing grid with intrinsically resilient components and enhancing the degree of grid meshing.</li> </ul> <p> See also the chapters "<b>Sustainable supply chain</b>" and "<b>Customer centricity</b>" of this document.</p>



## PEOPLE AND ORGANIZATION

<b>RISK DEFINITION</b>	Risk of inadequate Group organizational structures or lack of internal skills due to the absence or inadequacy of training programs, inefficiency of incentive systems, inadequacy of the turnover planning process or inability to define effective processes of employee recruitment and retention policies.
<b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b>	<p>The profound social, economic, demographic, and cultural transformations we are experiencing, from energy transition to the digitalization and technological innovation processes, and the rapid spread of artificial intelligence, have a profound impact also on the world of work, renewing the paradigms, imposing significant cultural and organizational changes that require new professional profiles and skills.</p> <p>To face the change, it is mandatory to <b>act in an inclusive manner</b>, putting people at the center in relation to their social and work aspects, with tools suitable for facing this epochal transformation.</p> <p>Organizations are expected to be increasingly oriented toward <b>new agile, flexible work and business models that are sustainable</b> along the entire value chain. It is also essential to adopt policies that value diversity and the talents of everyone, with the awareness that the contribution of the individual represents an essential component for the creation of wide-spread and shared value.</p>
<b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b>	<p><b>Centrality of the person, constant listening, sharing, strengthening of the entrepreneurship of individuals</b>, involvement are only some of the key words that guide the way of working and experiencing the Company.</p> <p>Thanks to <b>an increasingly efficient, leaner organization and to operational simplification</b>, the management of human capital and the centrality of people take on a fundamental role in implementing the Group's industrial strategy, as an enabling factor to which specific objectives are linked, the main ones including: constant development of skills and expertise, promotion of reskilling and upskilling programs for Enel people (continuous, customized, flexible, accessible and transversal) to enable each person to make change and be a protagonist with their own distinctive contribution to achieving better results supported by increasing personal satisfaction, understood as motivation and well-being; creation of workplace and performance appraisal models; the dissemination and rigorous assessment of the effects in all the countries in which the Group is present of the diversity and inclusion policy, as well as an inclusive organizational culture based on principles of non-discrimination and equal opportunities, key drivers to attract and retain talent.</p> <p>The Group is committed to strengthening the <b>resilience and flexibility of its organizational models</b> through organizational and procedural simplification and digitalization of processes, in order to enable the autonomy and responsibilities of the individuals and teams, strengthening the people empowerment processes and favoring the entrepreneurial approach that promotes people's talents, attitudes and aspirations. The hybrid work method and the promotion of internal mobility, which combines work on site and remote working in flexible proportions that take the needs of everyone into account, such as the use of innovative and flexible organizational models, are tools targeted toward sustaining this evolution of the organizational culture in terms of trust, proactive responsibility, and entrepreneurship.</p> <p> See also the chapter "<b>Enel people</b>" of this document.</p>

COMPLIANCE		<h2>DATA PROTECTION</h2>
	<p><b>RISK DEFINITION</b></p> <p>Risk of violation of regulations on data protection and privacy.</p>	<p><b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b></p> <p>The Group has the largest customer base in the public utilities sector (over 70 million end users), with a current workforce of approximately 61,000 people; consequently, the Group's business model calls for management of an ever larger volume of personal data, to reach the financial and business results set down in the 2024-2026 Strategic Plan.</p> <p>This involves exposure to risks related to protection of personal data, which can take the form of a <b>loss of confidentiality, integrity, and availability of the personal data of customers, employees, and others</b>, resulting in the application of penalties in proportion to global sales, obstructing processes with consequent economic or financial losses and reputational damage.</p>
	<p><b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b></p> <p>In order to manage and mitigate this risk, Enel has adopted a <b>global personal data governance model</b> by attributing privacy roles at all levels (including the appointment of Data Protection Officers, "DPOs", on the global and Country levels), and digital compliance tools to map applications and processes and manage significant risks concerning personal data protection in compliance with the specific nature of local sector legislation.</p> <p> See also the chapter "<b>Sound governance</b>" of this document.</p>	
COMPLIANCE		<h2>OTHER COMPLIANCE RISKS</h2>
	<p><b>RISK DEFINITION</b></p> <p>Other compliance risks: compliance with antitrust and consumer rights, corruption, external disclosure. Compliance with financial regulations, conformity with tax regulations, conformity with other laws and regulations.</p>	<p><b>REFERENCE SCENARIO AND DESCRIPTION OF RISK</b></p> <p>Enel may be exposed to the risk of judicial measures, administrative sanctions, economic or financial losses and reputational damage as a result of:</p> <ul style="list-style-type: none"> <li>• <b>illegal or illicit conduct</b>, 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;</li> <li>• <b>infringement of international, national or local laws and regulations</b> concerning: accounting, financial, or tax discipline, market disclosures, anti-trust and consumer rights issues or other applicable legislative provisions (e.g., rules concerning permitting or contracts, regulation of electricity markets, international sanctions, etc.).</li> </ul>
	<p><b>MITIGATION ACTIONS AND ASSOCIATED STRATEGIC GOALS</b></p> <p>Enel has adopted an <b>Internal Control and Risk Management System</b> 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 of Corruption Plan ("ZTC Plan"), the Human Rights Policy, the Policy on international sanctions, the Enel Global Compliance Program ("EGCP"), the Model pursuant to Italian Legislative Decree 231/01 and other national compliance programs adopted by Group companies in accordance with their national legislation. Furthermore, to further pursue its commitment to fighting corruption, Enel voluntarily decided to certify its Anti-Bribery Management System (SGPC) in compliance with the requirements of international standard ISO 37001:2016 (international certification of anti-bribery management systems). This certification process has involved the Group's main subsidiaries.</p> <p>External staff, working for Enel Group company suppliers, undertake to <b>comply with the ethical clauses</b> set out in their respective contracts, which incorporate references to Enel's commitment in terms of business integrity in the pursuit of its activities.</p> <p>The <b>ongoing monitoring of legislative and regulatory developments</b> at the local, national and international levels is guaranteed by the operations of specific company Functions with competence in relation to these matters.</p> <p>The Sustainability Report, which represents the Consolidated Non-Financial Statement, is subjected to a limited review by KPMG and for a set of indicators, also providing reasonable assurance.</p> <p> See also the chapter "<b>Sound governance</b>" of this document.</p>	

In relation to the specific contexts pursuant to Italian Legislative Decree 254/16 concerning climate change, human rights, and the fight against corruption, please 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](http://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 Programs, 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 “Zero emissions ambition and just transition”). The Enel Group has been enrolled in the EU (European Union) voluntary transparency register since its creation in 2008. The register aims to provide citizens with a single and direct access point to information on who carries out activities aimed at influencing the EU decision-making process, the interests pursued, and the resources invested in these activities (<http://ec.europa.eu/transparencyregister/public/homePage.do>). In line with the provisions of the Code of Ethics, paragraph 3.26, Enel does not finance political parties, their representatives or candidates in Italy or abroad, nor does it sponsor conventions or events whose sole purpose is political propaganda. It refrains from any

direct or indirect pressure on politicians (for example, by granting the use of its facilities, accepting new recruit recommendations, or awarding consultancy contracts). Enel and its subsidiaries are present in various trade and employer associations whose role includes representing the positioning of its members in the regulatory processes inherent in the business activity. The annual contributions paid to the above-mentioned organizations in the form of membership fees in 2023 totaled approximately 11 million euros, compared to 9.6 million euros in 2022<sup>(5)</sup>. In particular, in 2023 the three largest contributions in terms of overall amount concerned AELEC (Asociación de Empresas de Energía Eléctrica) in Spain, Confindustria and Eletticità Futura in Italy<sup>(6)</sup>.

The institutional dialog with the trade and employer associations in which Enel and its subsidiaries took part in 2022 concerned the support of regulatory and consultation processes, including also the following main topics:

- **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<sup>(7)</sup>;
- **increase of business competitiveness:** including, among other topics, tax regulation, labor law issues and environmental policies<sup>(8)</sup>.

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(5) 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.

(6) Specifically: AELEC (formerly “UNESA”) 2 million euros; Confindustria 1.6 million euros; Eletticità Futura (formerly “Associazione Nazionale delle Imprese Elettriche”) 0.75 million euros.

(7) The 2023 contribution was 6.7 million euros.

(8) The 2023 contribution was 4.3 million euros.

# Values and pillars of corporate ethics

2-15	2-16	2-23	2-26	3-3	205-1	205-2	205-3
405-1	406-1	408-1	409-1	412-1	412-2	413-1	415-1

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, includ-

ing the **Code of Ethics, Human Rights Policy, 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.

## Code of Ethics

In 2002, Enel adopted the Code of Ethics<sup>(9)</sup>, which expresses its commitments and ethical responsibilities in Company affairs and activities, regulating and harmonizing 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.

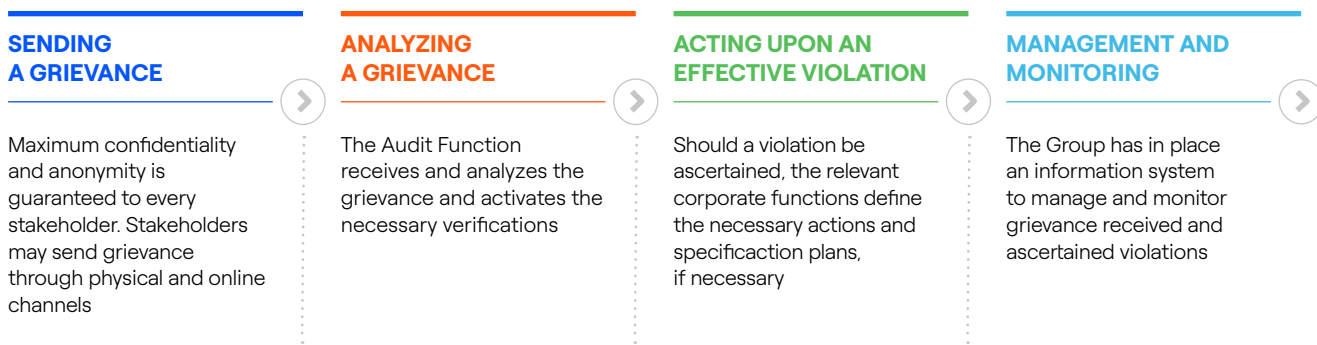
More information is available on the website: <https://www.enel.com/investors/sustainability/strategy-sustainable-progress/sound-governance/basic-principles/code-of-ethics>.



## Whistleblowing channel and stakeholder reporting

Any violation (or suspected violation) of the Compliance Programs, or behaviors, acts or omissions that damage the integrity of the Company and constitute a significant wrongdoing under the applicable regulations regarding whistleblowing, may be reported (even anonymously) through a single Group-wide platform ("Ethics Point") at [www.enel.ethicspoint.com](http://www.enel.ethicspoint.com)<sup>(10)</sup>.

Reports are handled according to a specific process set out in the "Handling of Reports (Whistleblowing)"<sup>(11)</sup> Policy and in Enel's Human Rights Policy, under 3.1 "Stakeholder reports", as summarized below.



(9) Last update: February 2021.

(10) The Ethics Channel can also be used to send reports regarding the Group's commitments regarding human rights.

(11) The "Handling of Reports (Whistleblowing)" policy was updated in 2023 to incorporate the new national legislation (Legislative Decree 24/2023) implementing European Directive (EU) 2019/1937 on the protection of persons who report violations of EU law.

The key elements of the mechanism are:

- protection of confidentiality;
- protection against any form of retaliation against the reporter and other persons protected by law;
- protection against unfounded allegations made with malice or gross negligence to harm or cause injury to individuals;
- uniformity of treatment at Group level, in accordance with Company policy and local regulations.

The Audit Function receives and reviews the reports in compliance with Company policy and local regulations.

If, as a result of the report, the Function establishes a violation of the principles contained in the Compliance Programs or that affects the integrity of the Company, the rel-

evant corporate structures shall implement the resulting measures in line with the applicable national regulations.

The Audit Function also reports violations that have emerged as a result of stakeholder reports:

- to the Control and Risk Committee, the Chairman of the Board of Directors and the Chief Executive Officer of Enel SpA, who determine whether to report the most significant cases to the Board of Directors;
- to the corporate bodies of direct and indirect subsidiaries for issues within their remit.

The table below shows the total number of reports received through the whistleblowing platform and the number of violations determined.

KPI	UM	2023	2022	2021	2023-2022	%
<b>Reports received</b>	no.	<b>207</b>	<b>168</b>	<b>153</b>	<b>39</b>	<b>23.2</b>
<b>Violations related to incidents of<sup>(12)</sup>:</b>	no.	<b>41</b>	<b>34</b>	<b>44</b>	<b>7</b>	<b>20.6</b>
Conflict of interest/corruption	no.	7	10	8	-3	-30.0
Misappropriation	no.	9	5	5	4	80%
Labor practices <sup>(13)</sup>	no.	18	14	27	4	28.6%
Community and society	no.	-	-	1	-	-
Other reasons	no.	7	5	3	2	40%

In 2023, 207 reports were received, up 23.2% compared to 2022 (168), mostly in Latin American countries; the number of established violations also follows the same percentage trends on the total number of reports received compared to 2022. Specifically, the violations established refer to employee and/or supplier behavior that does not comply with policies for the protection of people or internal procedures relating to:

- “Conflict of interest/corruption” for the pursuit of personal interests or interests that harm the Company;
- “Labor practices”, connected to inappropriate behavior by individual employees that is detrimental to respect for diversity and non-discrimination and the

failure to comply with the internal procedures on health and safety issues, principles approved by the Group’s Human Rights Policy;

- “Fraud/misappropriation” to the detriment of the Company.

In addition to adopting disciplinary measures and/or sanctions against the responsible parties, training and awareness initiatives by Enel Group companies continued during the year to promote behaviors that align with the Code of Ethics and policies, including the events organized in the Latin American countries to disseminate a culture of integrity and ethics in the Company (“*semana etica*”).

(12) Of the 207 reports received in 2023, 25 are undergoing review. During the course of 2023, the review of reports received in 2022 was completed; the number of reports was therefore reclassified from 172 to 168, and the number of violations established for 2022 rose from 29 to 34. Of the five additional violations, one case was due to a conflict of interest established in Brazil, one case of embezzlement in Chile, and three cases related to labor practices (one in Italy and two in Chile).

(13) In 2023, 6 violations were recorded relating to cases of discrimination at the workplace, specifically 5 cases of harassment.

## Human Rights Policy

Respect for human rights is a fundamental element for pursuing sustainable progress. Enel's business model is based on the generation of sustainable value, together with its internal and external stakeholders, and on constant innovation, the pursuit of excellence and respect for human rights throughout the value chain. This translates into rejecting practices such as modern slavery, forced labor and human trafficking, promoting diversity, inclusion, equal treatment and opportunity, and ensuring that people are treated with dignity and valued for their uniqueness, whether within the Company or along the value chain in which the Group operates. The main international standards of reference that inspire Enel's commitment are the United Nations "Protect, Respect and Remedy" framework set forth in the Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This commitment is also clearly reflected in the Group's Human Rights Policy, drawn up and adopted back in 2013. In 2021, this document was updated to take

into account the evolution of the international frameworks of reference and the corporate operational, organizational and management processes. The document strengthens and expands the commitments already present in other codes of conduct adopted by Enel, such as the Code of Ethics, the Zero Tolerance of Corruption Plan and global compliance models. The update was approved by the Board of Directors of Enel SpA, then adopted by the subsidiaries. Enel is committed to respecting these principles in every Country in which it operates, respecting local cultural, social and economic diversity and requiring that each stakeholder adopt conduct in line with these principles, paying particular attention to high-risk or conflict-affected contexts.



For more information, see the ["Managing human rights"](#) chapter.

## Enel Global Compliance Program ("EGCP")

In September 2016, Enel approved the Global Compliance Program, targeted toward the foreign companies in the Group, which is a governance tool aimed at strengthening the Group's ethical and professional commitment to preventing offences committed internationally that might result in corporate criminal liability and reputational risks. The identification of the relevant types of offences in the Enel Global Compliance Program – which is associated

with the provision of behavioral standards and areas to be preventively monitored – is based on illicit conduct generally considered as such in most parts of the countries, such as, for example, offences of corruption, crimes against the public administration, fraudulent accounting, money laundering, offences committed in violation of the regulations on safety at work, environmental offences, etc.

## Organizational and Management Model pursuant to Italian Legislative Decree 231/01

Italian Legislative Decree 231 of June 8, 2001 introduced a company administrative liability into the Italian legal system for 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

| 3-3 | 205-1 | 205-2 | 205-3 |

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 of 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 government bodies 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 in the various countries where the Group operates (e.g., Organizational Model 231 for Italian companies, the “Risk Prevention Model/Integrity Program” for Group companies in Spain and Latin America);
- the Enel Global Compliance Program (“EGCP”), which applies to the Group’s non-Italian companies and supplements any compliance programs they adopt in compliance with local regulations.

The mentioned governance measures (in relation to which further information can be found in 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.

In 2023 the Audit Function<sup>(14)</sup> plan included an analysis of the suitability of the Internal Control System for the Anti-Bribery Management System of all Group Business Lines and Holding Company Staff Functions; the specific audit plans included checks to assess the risk and suitability of the design and operation of the controls, complementing the spot checks required by the Compliance Programs adopted by Group companies.

Based on the reports received through whistleblowing platform, 7 cases of “Corruption/Conflict of interest” for the pursuit of personal interests and/or to the detriment of the Company<sup>(15)</sup> were established during the year; these involved internal staff and/or contractors and resulted in 9 measures: 5 disciplinary actions against Enel people (e.g., dismissal, sanctions) and 4 sanctions against contractors (e.g., exclusion from tender proceedings, fines).

Following the checks as part of Company operations, an additional 2 cases of “Corruption/Conflict of interest” for the pursuit of private interest were identified, resulting in the dismissal of 2 employees.

(14) Audits for the Anti-Bribery Management System ensure three-year coverage of the main corporate processes at risk.

(15) Of the 7 total cases of conflict of interest/corruption, 2 are tied to corruption issues, while the other 5 cases involve conflict of interest situations.

# Data protection

3-3 | 418-1

Protection and processing of personal data are an important challenge for Enel in the era of digitalization and market globalization, and also a constant commitment to ensure continuous improvement of the service supplied to the customers. In fact, Enel recognizes that personal data, as an expression of an individual's personality and identity, must be treated with due care and guarantees, whether they concern customers, employees or suppliers, as also stated in the Group's Human Rights Policy and Code of Ethics.

To respond to this challenge in line with the provisions of the General Data Protection Regulation (EU 2016/679 – “GDPR”), in 2017 Enel set up a specific unit within the Legal Function (**Data Protection Office**) and appointed the data supervisors (“**Data Protection Officer**” – DPO). The DPOs are appointed based on their professional skills and knowledge, and their ability to carry out the assigned tasks in accordance with the principle of independence. The Data Protection Office is structured as follows:

- **Data Protection Governance:** a unit that monitors the evolution of data protection legislation and defines the Group's compliance. The office also carries out the role of DPO in countries in which the creation of a local Data Protection Office is not necessary;
- **Data Protection Staff Holding, Global Procurement and Information and Communication Technology:** a unit that promotes privacy by design from the phase of process planning at the global level and ensures consistent development at the national level;
- **Data Protection Global Business Lines and Global Customer Operations:** a unit that supports the Global Business Lines in compliance concerning data protection, and monitors the evolution of data protection certification mechanisms for products and services;
- **Country units:** units that monitor the evolution of regulations on a local level and support the local Business Lines as regards compliance related to data protection. In 2020 country units were set up in Latin America (Argentina, Brazil, Chile, Colombia, Peru), alongside the European area units already in place (Italy, Portugal, Romania, Spain).

The Enel Group has developed a global compliance program on personal data protection, founded on the principles of the main privacy regulations, including the GDPR, the Brazilian law *Lei Geral de Proteção de Dados Pessoais* (“**LGPD**”), the California Consumer Privacy Act (“**CCPA**”), as well as the local legislation of the countries in which the Group operates. This compliance program is translated into a global policy on personal data protection, which defines the privacy principles applicable to all Group companies. In particular, the Data Protection Office implements pro-

cesses and activities in compliance with the indications of legislation concerning personal data protection and is committed to: drawing up data protection agreements and clauses; planning data governance and corporate policies; providing consulting in line with the principles of privacy by design and by default; ensuring adequate risk management and monitoring the consistency of data protection policies within the organization; as well as performing periodic and regular training and awareness campaigns for personnel on the main data protection issues.

Furthermore, the Audit Function includes specific activities in their work programs targeted toward evaluating the Internal Control System on Data Protection Risk Management and on compliance with GDPR: analysis activities are planned in various geographical areas, also those not subject to GDPR, that aim to evaluate the safety measures in systems that contain personal data, commercially-sensitive data and employees data managed in HR processes. In order to guarantee full and effective protection of personal data, the Group has adopted a digital platform (Data Protection Platform), which is able to ensure digital compliance, through the use of the following tools, based on the size and complexity of Enel:

- **Processing register,** which integrates the registers of the data controller and the data processor on a single platform, guaranteeing the dynamic mapping of the processing activities and their life cycle, as well as the fulfilment of the obligations required by the regulation. For the Enel Group, this tool also represents an essential resource for designing and monitoring intra-group dynamics;
- **Privacy by Design,** which makes it possible to create every new project, from the beginning, in line with the principles regarding privacy;
- **DPIA (Data Protection Impact Assessment),** which makes it possible not only to perform an evaluation of the effective risks for the freedom and rights of the data subjects and to monitor the current risk of each processing operation that is changed in light of the implementation of a remedy plan;
- **DTIA (Data Transfer Impact Assessment),** which makes it possible to evaluate the transfer risk that accounts for the methods by means of which the data is transferred, as well as the regulatory aspects of the country where this data is transferred;
- **Data Breach Management,** which permits the structured and timely management of all possible incidents that involve multiple companies and countries, and the possibility to study these events in order to implement common prevention solutions;

- **Analytic**, that, with the definition of precise KPI, makes it possible to continuously analyze, compare and monitor the data and processes processed by the companies.

With specific reference to relationships with its suppliers, the Enel Group Code of Ethics and Human Rights Policy expressly require suppliers to have a clear commitment to respect the main obligations required by the applicable privacy regulation. Furthermore, a specific clause in the Group's General Contract Conditions extends the principles of the Enel privacy policies to all suppliers, requiring them to be committed to handing personal data in compliance with the obligations imposed by industry

## Procedures started by competent supervisory authorities

With specific reference to **Italy**, on March 8, 2021, the data protection authority started a procedure, based on some reports from consumers, for the adoption of corrective measures and sanctions against the Servizio Elettrico Nazionale (SEN) for presumed violations of privacy regulations, in particular due to the performance of undesired phone calls and the wrongful provision of personal data (POD, supply address, tax code, etc.) to unauthorized parties for the promotional purposes of third parties. SEN has filed a defense brief disputing the charges. On April 26, 2021 a hearing was held with the data protection authority and a decision is pending. Furthermore, on January 18, 2022, the data protection authority issued an order against Enel Energia, imposing a fine for approximately 26 million euros on the company for asserted violations of the privacy regulations. In particular, the data protection authority criticized what it saw as the inadequacy of Enel Energia's surveillance and control activities for the internal data processing processes, within the scope of telemarketing activities, as well as the failed adoption of a comprehensive and effective action to contrast the undesired phone calls. The penalty, which also imposed a series of prescriptive measures, was disputed by Enel Energia on February 9, 2022 before the Civil Court of Rome which, with an order dated March 20, 2022, ordered the immediate suspension of its effects. In a ruling published on February 13, 2023, Enel Energia's appeal was upheld in its entirety and, accordingly, the sanction measure was cancelled. On January 13, 2024, the grounds for the decision were published, on the basis of which the data protection authority may consider a possible appeal of the ruling before the Court of Cassation.

Finally, on 14 July 2023 the data protection authority instituted proceedings against Enel Energia SpA, in relation to the system of monitoring and control over the work of external agencies that carry out sales activities

legislation. Therefore, Enel also undertakes to monitor all third-party companies that may be in a position to use customers' personal data, for example for the provision of sales services or customer satisfaction surveys.

In 2023, the Group's companies handled **15,067 communications concerning personal data protection from customers**, of which: (i) **913** in **Romania**, (ii) **6,256** in **Iberia**, (iii) **7,841** in **Italy** and (iv) **57** in **Latin America**.

Furthermore, the same companies collaborated with the national authorities, receiving **171 requests for information and clarifications**, of which: (i) **4** in **Romania**, (ii) **142** in **Iberia**, (iii) **6** in **Italy** and (iv) **19** in **Latin America**.

in a "door-to-door" manner, and/or by means of telemarketing and teleselling, and relating to conduct that can be traced back to a period of time ranging from 2015 to 2022. Enel Energia filed a defense brief disputing the charges, and a hearing was held with the data protection authority on October 4, 2023. At the conclusion of the inspection, on February 29, 2024 the data protection authority notified Enel Energia of the final measure by which it imposed a fine of 79,107,101 euros on the latter.

In 2023, based on complaints presented by the data subjects in **Spain**, the local data protection authority started 63 administrative proceedings against Endesa Energía SA, Endesa X Servicios SL, Edistribución Redes Digitales SL and Energía XXI Comercializadora de Referencia SL. Many of these proceedings have been dismissed and, in the majority of the cases, the events that triggered the complaints were resolved thanks to out-of-court settlements.

During 2023, Endesa Energía was subject to two fines, one in the amount of 56,000 euros and another of 6,100,000 euros. This latest sanction was related to a data security breach suffered on Endesa Energía's systems due to the publication of advertisements on Facebook that promoted the sale of access credentials to Endesa's applications. The aforementioned violation resulted in the fraudulent conclusion of contracts without the consent of the persons concerned. Therefore, Endesa Energía filed an administrative appeal against the measure issued by the data protection authority, before the National Supreme Court requesting the precautionary suspension of the sanction. The final decision of the Court is currently awaited.

In **Portugal**, in 2023, the local data protection authority initiated 75 proceedings against Endesa Energía SA – Sucursal Portugal as a result of sending direct market-

ing communications to data subjects without their valid prior consent. Endesa presented their defense against these proceedings and is currently waiting for the decision of the local data protection authority. With regard to prior proceedings related to marketing communications made in 2019, 2020 and 2021, for which Endesa has already presented its defense, in 2023 the data protection authority issued 3 rulings, for one of which it ordered the dismissal of the proceedings, while for the others it imposed sanctions with an overall value of 12,500 euros. Furthermore, it should be noted that one of the final decisions that led to the imposition of a fine (in the amount of 5,000 euros) was challenged by Endesa. In fact, the company was sanctioned for having made a direct marketing call without the consent of the data subject, but the number from which the call was made was not a number belonging to Endesa or one of its data controllers.

In addition, with reference to the second decision, a fine of 7,500 euros was imposed. In particular, Endesa had been accused of committing two administrative infringements, but the Comissão Nacional de Proteção de Dados (“CNPD”) considered this to be a single administrative infringement, carried out on a continuous basis, and therefore decided to impose a single penalty.

## Data breaches

Regarding data breaches, during 2023, seven violations of personal data were recorded within the scope of the Enel Group.

In particular, in **Italy**, the company Enel Energia SpA notified the data protection authority of a breach, which occurred in March 2023, concerning personal data on the company’s Customer Relationship Management (“CRM”). Specifically, several SEPs (Spazio Enel Partner, *i.e.*, shops open to the public managed by external partners) reported to Enel Energia that they had been contacted on the landline number of their shop by people pretending to be Enel Energia operators and asking them to install a new app for security reasons, and to provide their Enel Energia CRM access credentials for this purpose. The latter immediately alerted all partners in its sales network, advising them to be very careful if they received similar communications and requests. However, some of the partners’ operators had already followed up the fraudulent message and, in eight cases, credentials had been provided. These credentials were found to have been used by unknown persons to view the data of some 679 individuals, among whom customers, potential customers and customer referrals. However, further analysis by Enel Energia showed that no abnormal use of the personal data displayed had occurred.

In **Romania**, during July 2022, and following an investigation, the local data protection authority issued a penalty of 49,337 lei (10,000 euros) against Enel Energie Muntenia SA for violation of Article 32 of GDPR. The company has challenged this penalty and is still waiting for the final decision of the data protection authority.

In **Colombia**, in September 2023, the Colombian data protection authority notified Resolution No. 48205, through which it pronounced two administrative orders following four security incidents (occurring in 2021-2022) that could have compromised the personal information contained within Market/Enel X’s databases. On the basis of the reported security incidents and the measures taken to manage them, the local data protection authority deemed it necessary to analyze not only the controls that the company had put in place, but also the security measures, which were necessary to determine the adequacy and effectiveness of the personal data protection standards and to check whether it was necessary to implement additional security measures to those already in place.

On December 4, 2023, Enel Colombia provided feedback on all the points raised. To date, however, the data protection authority has not ruled on them.

In **Romania**, during 2023 two data breaches were recorded. In particular, a limited amount of personal data was displayed in the private section of the e-Distribuție website. Through a link with a hidden object, some users of the website were able to access a limited set of data of other users. As far as is known, apart from the person who reported the vulnerability, no one else took advantage of it. Based on the investigations carried out by the Company, the data illegally accessed belonged to customers of e-Distribuție Muntenia and e-Distribuție Dobrogea. Since the person who reported the vulnerability also reported it to the DPA, notification of the incident was deemed appropriate, even though said incident was not considered serious and no impact on the individuals concerned was detected.

The vulnerability was fixed in less than 24 hours from the moment the owners became aware of it.

In **Spain**, during 2023, Edistribución Redes Digitales SL (“Edistribución”) notified the Spanish data protection authority (AEPD) of two personal data breaches suffered by its customers.

The first, reported on January 23, 2023, concerns an accidental exposure of some Edistribución customer data on

the public repository “Github” by an engineer of a supplier of the company who used this repository temporarily in order to make a copy of the source code of the Exabeat application. The measures taken include resetting the credentials identified within the FTP server within the Exabeat application and analyzing the access logs to the FTP server. The above analysis showed that there was no evidence of access to any personal data processed by the FTP server.

On January 23, 2024, the AEPD dismissed the proceedings initiated as a result of the “Github” data breach, finding that Edistribución had acted diligently once it became aware of the security breach, demonstrating that the measures taken after the incident were adequate.

As for the second breach, it originated neither from a leak nor from an incident or unauthorized access to Edistribución’s systems.

In particular, an Internet forum was intercepted to publish the sale of data of “Endesa customers”, together with an Excel file published on Google Docs that contained, among various fields, one relating to the supply of the distribution company in which “Endesa Distribución Eléctrica SL” appeared. Once these data and those contained in Edistribución’s systems were analyzed, it emerged that the published data did not come from Edistribución itself. However, although Edistribución did not suffer any data breaches, it considered it appropriate to inform the AEPD, given the media impact of the incident.

In **Portugal**, in May 2023, the company Aon (one of Endesa’s data controllers that processes the personal data of its employees) was made aware of a zero-day vulnerability concerning a third-party provider’s application called “MOVEit Transfer”, which Aon was using for file sharing.

Upon learning of this vulnerability, Aon immediately launched an investigation, which established that an unauthorized third party had accessed the “MOVEit Transfer” application/server within Aon, and that the data contained in that application had been downloaded and exfiltrated. Among the breached data were those of Endesa employees with whom Aon was dealing. Given the type of personal data breached (first name, last name, e-mail, address, tax code, date of birth, international bank account number – N.B. not all IBANs of the data subjects were disclosed), Endesa notified the data breach to the Portuguese data protection authority and the various stakeholders.

In **Colombia**, the local data protection authority was notified of a personal data breach, consisting of a ransomware attack (of the “RansomHouse” type) affecting the websites and activities of an employee healthcare provider. Therefore, Enel Colombia intervened through containment actions, contract management monitoring, and multidisciplinary analyses in the areas of contract law, personal data, cyber security, and information security.

# MANAGING HUMAN RIGHTS

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					418-1

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Climate change
- Sustainable supply chain
- Customer centricity
- Engaging local and global communities
- Economic value creation
- Water resources management
- Preservation of biodiversity and ecosystems
- Air, water and soil quality
- Waste
- Governance and advocacy for nature and climate
- Health and safety
- Digital transformation

## SUSTAINABILITY PLAN PILLAR



### HUMAN RIGHTS

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



The **International Charter of Human Rights** together with the **International Labour Organization (ILO) conventions underlying the Tripartite Declaration of Principles on Multinational Enterprises and Social Policy** define the human rights that Enel applies to business practice.

Enel's commitment also takes into account:

- the **10 principles of the Global Compact**, to which it signed up as an active member in 2004;
- the **letter of commitment**, signed by Enel in 2019, in

which the **United Nations** called on companies around the world to commit to a just transition and the creation of decent jobs;

- the **United Nations' "Protect, Respect and Remedy" framework** set forth in the Guiding Principles on Business and Human Rights;
  - the **OECD Guidelines for Multinational Enterprises**.
- Enel's human rights management system is based precisely on the three pillars of the UN Guiding Principles:

## ENEL'S COMMITMENT

It includes:

- the **strategic approach** to human rights in business operations
- Enel's **public commitment**: the Human Rights Policy
- **embedding** of the commitment into:
  - operating policies and procedures
  - training
  - governance

## THE DUE DILIGENCE PROCESS

It includes:

- **identification of salient issues**
- **gap identification and definition of potential improvement plans**
- **stakeholder relations** (workplace, procurement processes and relations with business partners, communities, customers and cross-cutting and specific topics)

## ACCESS TO REMEDY

It includes:

- Enel's commitment to provide an adequate **remedy** in the event of impacts
- **grievance channels** information
- redressing in legacy projects

# Enel's commitment

2-24

## The strategic approach to human rights in business activities

Protection of the environment and natural resources, actions to combat climate change, and contribution to sustainable economic development are strategic factors in the planning and development of Enel's activities, along with its commitment to decarbonization and electrification processes, in line with the Paris Agreement and the United Nations Sustainable Development Goals (SDGs). Mitigating the effects of changes in the climate and nature cannot disregard the social impacts. For this reason, Enel promotes a just transition.

Indeed, respecting human rights in business practice is the basis for sustainable progress, because it enables increased talent attraction and retention, strengthened business resilience, meeting customer and civil society expectations, improved access to financial markets, and contributes to a transition path founded on constructive dialogue and active participation, both in the definition of enabling regulatory frameworks and in multi-stakeholder initiatives that promote system-wide advocacy actions.

## Enel's public commitment: the Human Rights Policy

The Enel Group Board of Directors first adopted a [Human Rights Policy](#) in 2013. It was then updated in 2021 to take into account the evolution of international frameworks and corporate operational, organizational and management processes.

Its content leverages commitments in several other codes of conduct, such as the Code of Ethics (adopted as early as 2002), the Zero Tolerance of Corruption Plan, and global compliance models, reinforcing and expanding on them.

There are **12** policy **principles**, defined in line with relevant policies, regulations, conventions and frameworks, split into **two macro-themes**:

- **employment practices;**
- **relations with communities and society.**

In particular, they establish the rejection of practices such as modern slavery, forced labor, and human trafficking, to name a few, and a Enel's commitment to promoting diversity, inclusion, equal treatment and opportunity, guaranteeing that people are treated fairly and valued for their uniqueness, as well as focusing on protection of the environment since a safe, clean, healthy and sustainable environment is integral to the full enjoyment of a wide range of human rights.

The principles have been identified based on their relevance to the Group's business activities and relationships, and are the result of a consultation with relevant stakeholders<sup>(1)</sup> based on the criteria listed in the "UN Global Compact Guide for business: How to Develop a Human Rights Policy". Indeed, constantly listening to and considering the perspectives of relevant stakeholders in

internal decision-making is an integral part of the commitment to human rights.

For further information see the chapters "[Stakeholder engagement and materiality analysis](#)" and "[Engaging communities](#)".



In managing human rights, it is important to work with leading organizations to develop, among other things, innovative and evolved standards of responsible conduct.

In particular, in 2023 Enel participated:

- as a member of **Eurelectric**, at European utility sector level, to the process relating to the development of the draft proposal of the Corporate Sustainability Due Diligence Directive (CSDDD);
- to United Nations Global Compacts working groups, including the **Just Transition Think Lab**, an initiative that brings together leading companies on the issue globally, developed in collaboration with the International Labour Organization (ILO) and the International Trade Union Confederation (ITUC), and the **Business & Human Rights Accelerator**, a program that aims to train and stimulate companies in the transition from commitment to action on business and human rights. In addition to its global participation, the Group took part in local working groups in Spain, Colombia, and Peru;
- to the **Business Commission to Tackle Inequality (BCTI)**, promoted by the **World Business Council for Sustainable Development (WBCSD)**;

(1) People who work within the organization, as well as suppliers, human rights experts, think tanks, NGOs, other companies.

- in the **CSR Europe Materials Leadership Hub**, a selected group of members of CSR Europe;

- in **Solar Power Europe**, the European solar photovoltaic industry association.

## Business Commission to Tackle Inequality (BCTI)

Business Commission to Tackle Inequality (BCTI) is an initiative spearheaded by the World Business Council for Sustainable Development (WBCSD) that brings together business leaders and key stakeholders with the goal of stimulating greater levels of attention, investment, and action by businesses in tackling inequality by bringing the issue to the forefront of corporate agendas and

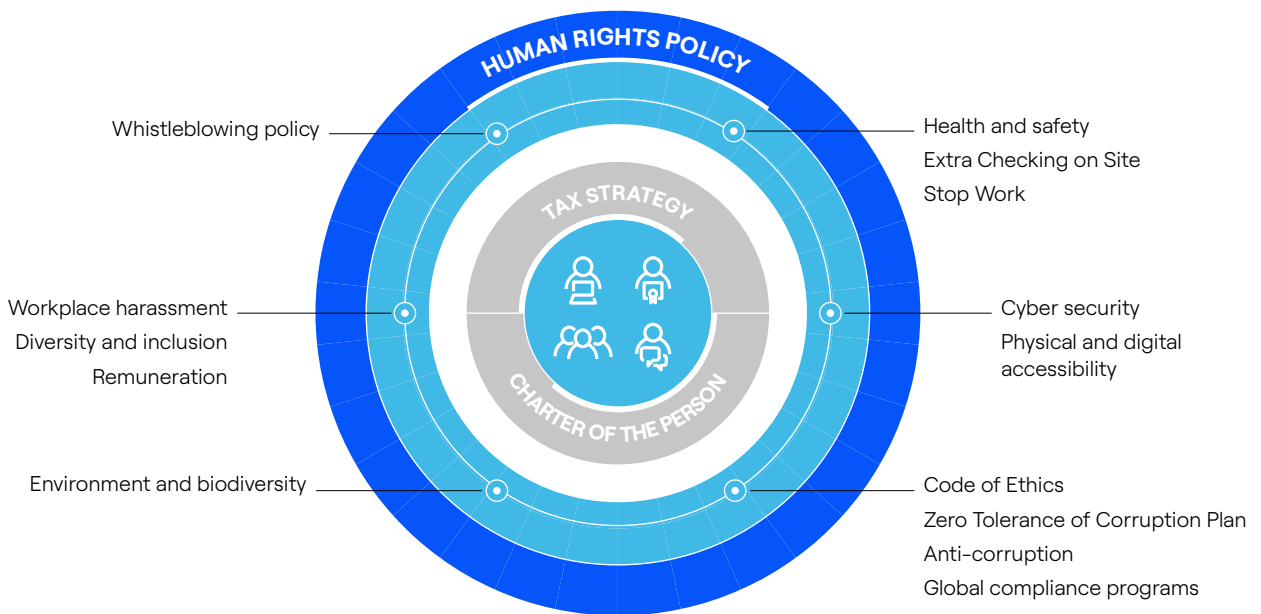
strategies. In 2023, Enel participated in the following working groups: 1. Access to essential products and services; 2. Diversity, equity and inclusion; 3. Promotion of a culture of good health and well-being in the working environment; 4. Promotion of a 'living wage'. The Group also contributed to the launch of the [Flagship Report "Tackling Inequality: An Agenda for Business Action"](#), which outlines a common agenda for the private sector, providing 10 recommendations for addressing inequality.

## Operating policies and procedures

A key element of the prevention and mitigation of negative impacts on human rights, as well as the promotion of decent work, inclusive economic growth and sustainable development, is the integration of Enel's commitment into

corporate operating processes.

The following is a summary representation of the main documents (internal and public) and thematic frameworks in which Enel's Human Rights Policy is reflected.



● Internal and external policies

● Thematic frameworks



## Security and human rights

| 3-3 | 410-1 |

Enel manages security services to protect the Company's personnel and property through a dedicated global function (Security) reporting directly to the Chief Executive Officer as of late 2023.

The Security Function acts in coordination with the equivalent Security Functions in the different countries of operation. These carry out information gathering and analysis activities in order to map potential security risks and define appropriate actions for their management, also in cooperation with external parties, such as relevant institutions and other critical infrastructure operators, in line with national laws and applicable international norms and standards and in line with the Voluntary Principles on Security and Human

rights (principle 2.2.3 of the Human Rights Policy).

Security services providers are selected following the overall qualification and procurement process, and monitored during the life of the contract (see chapter "Sustainable supply chain"). In particular, for suppliers falling into the "high reputational risk" category, additional checks established in a specific policy (Counterparty Analysis) are carried out in order to reduce and mitigate the related actual or potential risks.

Finally, the Security Function also ensures the organization of the protection services provided for Enel personnel traveling to high-risk countries, in accordance with the People Security policy.

## Training

| 2-29 |

The training and awareness raising processes for both Enel people and commercial partners are fundamental for integrating respect for human rights into corporate activities.

Specific training activities are devised every year to ensure that anyone who works with the Group is aware of the role they play in ensuring respect for human rights in carrying out their activities.

Various forms of training are available with different content to address every need, including:

- courses on environmental protection;
- courses on occupational health and safety;
- courses on diversity and inclusion;
- courses on community relations;
- courses on anti-corruption;
- digital training courses on issues closely related to human rights;
- training initiatives on best practices closely related to human rights.

In 2023, 93% of Enel people took part in sustainability training courses, a higher figure than was recorded in 2022 (84%). A total of 2 million hours of training were provided, with a per capita average of 32 hours.

Specifically, around 9,000 hours of training specifically on human rights were provided, plus around 11,000 hours of training on the contents of the Group Code of Ethics.

Training also includes specific communication initiatives intended for internal and external stakeholders to foster a proper understanding of the commitment made through the Human Rights Policy. Activities carried out in 2023, for example, included training sessions on human rights in business practice for people working in the Group's Procurement area and in-depth sessions on the relationship between the fight against climate change and social impacts (just transition) intended for colleagues in the Renewables Development Business Line, also organized with the support of some Italian universities. In-depth meetings were also held with key suppliers belonging to core product categories.



See the "[Sustainable supply chain](#)" chapter for further details.

## Governance

Compliance with Enel's commitment to human rights is an integral part of relevant corporate decision-making processes. The Group operates in accordance with an organizational and corporate governance model, based on principles of transparency and accountability, which defines the specific tasks and responsibilities of the main corporate governance bodies. Specifically:

- through the Control and Risk Committee and the Corporate Governance and Sustainability Committee, which carry out preparatory work aimed at making proposals and providing advice, the Board of Directors is responsible for examining the main company rules and procedures of relevance with respect to stakeholders and connected to the Internal Control and Risk Management System. These include the Human Rights Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan, and global compliance programs. Both committees consider any subsequent amendments or additions to be submitted to the Board for approval to

incorporate international best practices or changes in existing laws and regulations;

- the Sustainability Planning, Stakeholders and Human Rights unit, is responsible for:
  - managing the position on human rights and ensuring that it is properly reflected in internal and external communication activities, in collaboration with relevant business areas;
  - integrating respect of the principles included in the Human Rights Policy into business processes, as well as planning and coordinating due diligence activities on the related management system, jointly with the relevant business areas;
  - reporting to the Control and Risk Committee and the Corporate Governance and Sustainability Committee on the implementation of the due diligence process;
  - reporting on how Enel respects human rights commitments.

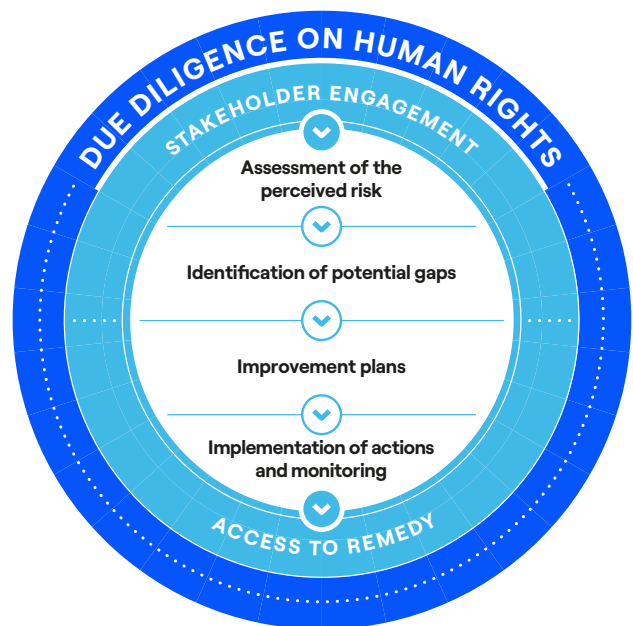
## The due diligence process

| 2-23 |

As required by the United Nations Guiding Principles on Business and Human Rights and the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, Enel has defined a process for assessing the robustness of its human rights management system, which has been codified in an internal procedure applied globally.

The process covers the entire value chain in the different countries in which the Group operates and is aimed at verifying both to what extent processes and procedures are in line with the requirements of the United Nations Guiding Principles and how much respect of the principles of the Human Rights policy is integrated into business practice. Through this process, 100% of the adopted operational policies and procedures are evaluated in order to identify any risks in the management of direct and indirect operations related to the entire value chain and the establishment of new business relationships (e.g., acquisitions, mergers, joint ventures, etc.). Based on the results obtained, if necessary, an improvement plan is defined.

Specifically, activities carried out in three-year cycles and involving both internal Company structures and external human rights experts and key stakeholders, include:



In 2023 a new cycle<sup>(2)</sup> was launched which led to achieving perceived risk assessment and identification of potential gaps at country level. Preliminary results are currently being analyzed to assess if any improvement plan is needed. With respect to Holding and Global Functions processes, the activity will be launched later once the simplification of corporate processes triggered by the undergoing organizational changes will have come to an end. In order to make the analysis process even more robust, the new cycle makes use of an internally developed application that manages the collection, aggregation and processing

of information related to the assessment of perceived risk and the identification of potential gaps. The adoption of a digital system ensures greater **traceability** of the flow of information and of approval process, **automatic consolidation** of the information collected as well as **accuracy** of the results, since it reduces manual collection processing and validation.

Below is a summary of the main preliminary results of the previous due diligence cycle (2020-2022) followed by the results for the first stages of the new cycle carried out in 2023.

### Due diligence process | Previous cycle highlights (2020-2022)

The 2020-2022 due diligence cycle showed that the management system is robust which means that, according to the definition of the UN Guiding Principles, management of salient issues is effective.

The areas for improvement identified led to the development of a plan consisting of approximately **170 actions of varying magnitude** (covering 100% of operations and sites), **such as enhancing human rights training activities and activities related to disability issues** of which more than **80%** were achieved by the end of the cycle.

Below are some examples:

- Italy: inclusion of the link between the Human Rights Policy and business development procedures in Enel Grids' local operations;
- Brazil: definition of an operating instruction in order to assess management of human rights of partners and sub-tier suppliers;
- Chile: (i) development of a communication and awareness campaign on the Human Rights Policy targeting all relevant stakeholders; (ii) making the policy available to all relevant stakeholders, with a particular focus on those who are unable to access it through digital means (e.g., indigenous peoples).

## Assessment of perceived risk (identification of salient issues)

Identification of the salient issues relating to human rights and their potential impacts allow for activities to be prioritized and the perspectives of affected stakeholders to be considered. The assessment is carried out in the countries of presence of the Group and involves relevant stakeholders and experts from various fields, including civil society and academic institutions. Specifically, consultations were held with direct and indirect workers, civil society representatives from local communities and indigenous and tribal peoples, trade unions, local institutions, businesses and trade associations, and customers. Furthermore, regular

stakeholder and sustainability experts engagement activities are planned with the aim of identifying priority issues and material topics, *i.e.*, the Company's most significant impacts on the economy, environment, and people, including its impact on human rights.



See the chapter "[Stakeholder engagement and materiality analysis](#)"

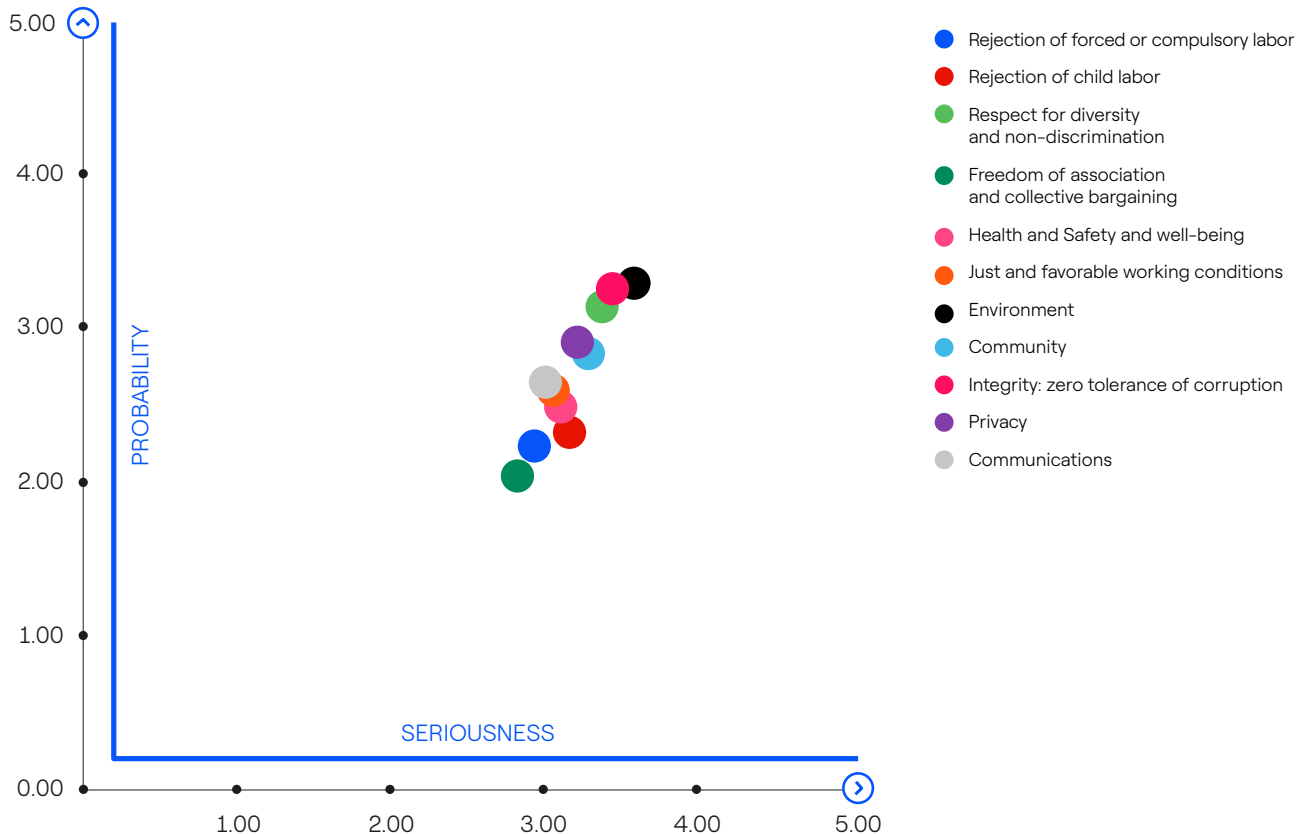
(2) Assessment in the new cycle is based on the 2021 update of the Human Rights policy.

The perceived risk is calculated through the combination of the severity and probability of a potential violation of human rights<sup>(3)</sup>.

Below are the preliminary results for 2023:

- corruption (integrity: zero tolerance of corruption), environment, diversity and non-discrimination, community relations, and privacy are among the most salient issues ("to be monitored"). In particular, privacy has been identified as the most salient issue by stakeholders belonging to North America;

- labor practices (freedom of association and collective bargaining, rejection of forced labor and child labor, fair and favorable working conditions, and health, safety, and welfare in the workplace) and potential impacts from customer-facing communication activities were ranked lowest in terms of risk ("acceptable level").



New fields of analysis have been introduced in this new cycle in line with the 2021 update of the Human Rights policy and the evolution of the relevant ESG context.

Key differences:

- strengthening of the analysis related to principle 2.1.2 "Respect for Diversity and Non-Discrimination", through a greater granularity of the criteria underlying a possible violation of this principle;
- expansion of the themes underlying principle 2.1.4 "Health, safety and well-being", which now includes the dimension related to mental and physical well-being and work-life integration;

- expansion of the themes underlying the principles included in the "Community and society" section and, in particular, a reference to the following principles:
  - "Environment" (2.2.1), with the inclusion of a link between environment and human rights and aspects related to climate transition plans;
  - "Respect for the rights of indigenous and tribal peoples" (2.2.4), in accordance with ILO Convention no. 169;
  - "Privacy" (2.2.6) and "Communication" (2.2.7), keeping the two principles separate and strengthening customer protection aspects.

(3) Risks are classified based on the assessment scale: acceptable risk (minimum level), risk to monitor, high-priority risk, high risk (maximum level).

## Gap identification and definition of potential improvement plans

Besides the identification of salient issues, the management system includes the **identification of potential gaps** aimed at assessing the operating and risk monitoring processes ensuring the proper integration of human rights in business practice and identifying potential area for improvement.

This process is divided into two segments:

1. assessment of the general framework of operating procedures and processes based on four parameters defined by the United Nations Guiding Principles:

- public commitment to respect 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.
2. assessment of the level of integration of the Human Rights policy principles into business practice.

Below, a summary of key preliminary results of 2023 assessment:

Human Rights Policy Principles	SDG	System to protect	Priority for action
<b>Labor practices</b>			
Rejection of forced or compulsory labor	8 16	Robust	None
Rejection of child labor	8	Robust	None
Respect for diversity and non-discrimination.	5 8 10 16	Robust	Low
Freedom of association and collective bargaining	8	Robust	None
Health, safety and well-being	3 8	Robust	None
Fair and favorable working conditions	3 4 8	Robust	None
<b>Community and society</b>			
Environment	11 12 13 14 15	Robust	Low
Respecting the rights of communities	1 3 4 5 7 8 9 10 11 13 17	Robust	Low
Respecting the rights of local communities	1 3 4 5 7 8 9 10 11 13 17	Robust	Low
Respecting the rights of indigenous and tribal peoples	1 3 4 5 7 8 9 10 11 13 17	Robust	Low
Integrity: zero tolerance of corruption	16	Robust	Low
Privacy	17	Robust	Low
Communications	5	Robust	None

Reference scales of performance values:

• Scale of the system to protect: Robust (75%-100%); Good (50%-74%); Sufficient (25%-49%); Needs improvement (0%-24%).

• Scale of priorities for action: none; very low; low; medium; high; very high.

In line with the findings of the previous cycle, **the management system in place to mitigate potential impacts is robust and enable the salient issues identified** to be adequately managed, which, based on the definitions of the classification included in the UN Guiding Principles, means that the **salient issues management system is effective**. This is also borne out by the fact that, despite the greater













granularity of the assessed content as well as the addition of new content, the results of the assessment were better. This is the case, for example, with the health and safety, that now includes mental and physical well-being and work-life integration and that improved from low priority in the previous cycle to no priority.










## Stakeholder relations: human rights in practice







Enel's pledge to respect human rights is the guiding principle that permeates all its activities and it is fully integrated into its corporate purpose and values, since it belongs to the territory, and it is an essential element in the lives of people, businesses, and society at large. With its commit-

ment Enel is striving for sustainable progress, to make its company and the communities in which it operates more prosperous, more inclusive and more resilient, without leaving anyone behind.

### Human Rights Content Index

ISSUE	PRINCIPLE	DESCRIPTION	ASSOCIATED SDGs	INTERNATIONAL REFERENCE STANDARDS	2023 SUSTAINABILITY REPORT REFERENCE
EMPLOYMENT PRACTICES	Rejection of forced or compulsory labor and child labor	Reject of the use of any form of forced or compulsory labor, of any form of slavery and human trafficking and of child labor	 	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Convention 29</li> <li>United Nations Global Compact principles</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Zero emissions ambition and just transition</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Innovation</p> <p>Circular economy</p> <p>Sound governance</p> <p>Managing human rights</p>
	Respect for diversity and non-discrimination	Diversity, inclusion, equal treatment and opportunity, working conditions respectful of personal dignity, creation of a working environment where people are treated fairly, valued for their uniqueness and not discriminated or subject to harassment, commitment to a just energy transition for everyone and attention to clients requests	   	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Conventions 100, 111, 190</li> <li>United Nations Global Compact principles</li> </ul>	<p>Stakeholder engagement and materiality analysis</p> <p>Zero emissions ambition and just transition</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Engaging communities</p> <p>Customer centricity</p>
	Freedom of association and collective bargaining	Freedom to form or take part in organizations aimed at defending and promoting the rights of people, respect of their right to be represented by unions or other forms of representation, collective bargaining as the favored instrument for setting contractual conditions and regulating relations between management and unions		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Conventions 87, 98, 154</li> <li>United Nations Global Compact principles</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Zero emissions ambition and just transition</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Engaging communities</p>
	Health, safety and well-being	Protection of health, safety and psychological, relational, and physical well-being of individuals; dissemination of such culture to ensure that workplaces are hazard-free and to promote behaviors oriented towards work-life integration	 	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Conventions 155, 156, 187</li> <li>United Nations Global Compact principles</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Zero emissions ambition and just transition</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Engaging communities</p> <p>Health and safety of people</p>
	Just and favourable working conditions	Protection of the right to conditions that respect the health, safety, well-being and dignity of individuals, maximum working hours, daily and weekly rest periods and annual period of paid leave, and fair remuneration as well as equal pay for equal work for men and women, minimum compensation, and professional orientation and training	  	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Conventions 100, 131, 155, 156, 187</li> <li>United Nations Global Compact principles</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Zero emissions ambition and just transition</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Engaging communities</p>

ISSUE	PRINCIPLE	DESCRIPTION	ASSOCIATED SDGs	INTERNATIONAL REFERENCE STANDARDS	2023 SUSTAINABILITY REPORT REFERENCE	
COMMUNITIES AND SOCIETY	Environment	Protection of the environment and biodiversity, climate action, and contribution to a sustainable economic development	    	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>United Nations Global Compact principles<sup>17</sup></li> </ul>	Enel's commitment to sustainable development Stakeholder engagement and materiality analysis Zero emissions ambition and just transition Enel people Roadmap towards natural capital conservation Sustainable supply chain Engaging communities Circular economy Innovation	
	Respecting the rights of communities	Responsible community relations based on the assumption that individual conditions, economic and social development and general well-being of collectivity are strictly connected. This includes conducting capital expenditure in a sustainable manner and promoting cultural, social and economic initiatives for affected local and national communities to advance social inclusion through education, training and access to energy. Commitment to ensure that products and services are designed to be accessible for all				
	Respecting the rights of local communities	Commitment to respecting the rights of local communities and to contribute to their economic and social growth also through collaborations with suppliers, contractors and partners that contribute to the social and economic development of the communities where Enel operates. This goes also through: promoting free, prior, and informed consultation activities and implementing social inclusion actions (local manpower, health and safety training, development of local projects – also in partnership with local organizations); taking into due account the environmental and social impact in the designing and construction of Group infrastructure projects; commitment to ensuring that private security forces protecting Group's personnel and assets in operating areas act in a manner consistent with the applicable national laws and international rules and standards	          	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Convention 169</li> <li>United Nations Global Compact principles</li> </ul>	Enel's commitment to sustainable development Stakeholder engagement and materiality analysis Zero emissions ambition and just transition Enel people Roadmap towards natural capital conservation Sustainable supply chain Engaging communities Customer centricity Circular economy Innovation	
	Respecting the rights of indigenous and tribal peoples	Specific commitment to pay particular attention to the most vulnerable communities, such as indigenous and tribal ones, in case of developing new projects and to respect the United Nations Declaration of the rights of Indigenous Peoples				
	Integrity: zero tolerance of corruption	Reject of corruption in all its forms, both direct and indirect, since it is one of the factors undermining institutions and democracy, ethical values and justice, as well as the well-being and development of society		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>United Nations Global Compact principles</li> </ul>	Enel's commitment to sustainable development Stakeholder engagement and materiality analysis Sound governance	

ISSUE	PRINCIPLE	DESCRIPTION	ASSOCIATED SDGs	INTERNATIONAL REFERENCE STANDARDS	2023 SUSTAINABILITY REPORT REFERENCE
COMMUNITIES AND SOCIETY	Privacy	Respect of the confidentiality and right to privacy of our stakeholders and to use correctly information and data relating to the people working in our organization, to our customers and to any other stakeholder; processing of data in compliance with the fundamental rights and the rights and principles recognized in law, notably respect for private and family life, home location details and communications, personal data protection, freedom of thought, conscience and religion, freedom of expression and information		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Recommendation "Protection of workers' personal data"</li> <li>United Nations Global Compact principles"</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Enel people</p> <p>Sustainable supply chain</p> <p>Sound governance</p> <p>Customer centricity</p>
	Communications	Commitment to ensure that institutional and commercial communications are non-discriminatory and are respectful of different cultures, while also not adversely affecting the most vulnerable audiences, such as children and the elderly		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>ILO Recommendation "Protection of workers' personal data"</li> <li>United Nations Global Compact principles"</li> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>United Nations Global Compact principles</li> </ul>	<p>Enel's commitment to sustainable development</p> <p>Stakeholder engagement and materiality analysis</p> <p>Sustainable supply chain</p> <p>Engaging communities</p> <p>Customer centricity</p>
HUMAN RIGHTS GOVERNANCE	Public commitment	Adoption of a Human Rights Policy		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>United Nations Global Compact principles</li> </ul>	<p>Sound governance</p> <p>Managing human rights</p>
	Due diligence of the management system	<p>Identification, prevention and mitigation of the potential negative effects caused by business operations</p> <p>Reporting to Control and Risk Committee and to Corporate Governance and Sustainability Committee about the implementation of the due diligence process</p>	 	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>OECD Guidance for Responsible Business Conduct"</li> </ul>	<p>Sound governance</p> <p>Managing human rights</p>
	Access to remedy	Access to specific grievance channels also at local level		<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>OECD Guidance for Responsible Business Conduct</li> <li>United National Global Compact principles</li> </ul>	<p>Sound governance</p> <p>Managing human rights</p>
	Transparency	Annual reporting, within the Sustainability Report, of the performance on the commitments undertaken through the human rights policy	 	<ul style="list-style-type: none"> <li>United Nations Guiding Principles on Business and Human Rights</li> <li>OECD Guidelines for Multinational Enterprises</li> <li>OECD Guidance for Responsible Business Conduct</li> </ul>	<p>Sound governance</p> <p>Managing human rights</p>



## The workplace

2-29

Enel is committed to respecting and promoting internationally recognized workers' rights in all countries where it operates. This means rejecting practices such as modern slavery, forced labor and human trafficking, promoting diversity, inclusion, equal treatment and opportunity, and ensuring that people are treated with dignity and val-

ued for their uniqueness, whether within the Company or along the value chain in which it operates.

For further details, see the chapter "[Enel people](#)".



### Training and people empowerment | Upskilling and reskilling

(Human Rights Policy, "Employment practices", principle 2.1.5 "Just and favourable working conditions")

Enel believes in the importance of professional orientation and training for the development of its people and their skills, even the more so in situations impacted by the energy transition that prompt requalification and enhancement of potential by way of reskilling and upskilling programs to foster a just transition. Facing the undergoing rapid evolutions means setting up an inclusive path in the workplace, which aims to enhance the human being

by making him or her the protagonist of an ecosystem in which lifelong learning, well-being, productivity and safety can strengthen each other, contributing to maximum personal fulfilment, with a view to ever greater centrality.

For further details, see the chapter "[Enel people](#)".



### Inclusion

(Human Rights Policy, "Employment practices", principle 2.1.2 "Respect for diversity and non-discrimination")

Enel promotes the principles of diversity, inclusion, equal treatment and opportunity and is committed to guaranteeing the right to working conditions that are respectful of the personal dignity as well as creating a working environment in which people are treated fairly and valued for their uniqueness. It is committed to protecting the physical and psychological integrity and individuality of each person, and opposes any form of behavior that causes discrimination regarding gender, age, disability, nationality, sexual orientation, ethnicity, religion, political opinions and any other form of individual diversity, or that is detrimental to the person and their convictions or preferences. Accordingly, Enel promotes people's freedom of expression. It does not tolerate physical, verbal,

visual, sexual, or psychological harassment such that results in a working environment that is denigrating, hostile, humiliating, intimidating, offensive, or unsafe. The commitment to inclusion, as outlined in the Human Rights Policy, proactively considers the needs and priorities of people and society as a whole. In addition to ensuring that no one is left behind, this approach encourages the generation of new ideas and is an essential condition for the creation of sustainable value in the long term.

For further details, see the chapters "[Enel people](#)" and "[Customer centricity](#)".



### Health, safety and well-being

(Human Rights Policy, "Employment practices", principle 2.1.4 "Health, safety and well-being")

Enel considers the health, safety and psychological, relational and physical well-being of individuals to be the most precious asset to be protected at any moment, at work, at home and during leisure time. It is committed to developing and disseminating a robust health, safety, and well-being culture across its organization, to ensure that workplaces are free from health and safety hazards and to promoting behaviors oriented towards work-life integration. It is actively committed to fostering personal and organizational well-being as enabling factors for

people's involvement and innovative potential and does so, for example, by providing benefits and services that support the integration between private and working life (for example, support, including financial nature, for the care of children and dedicated to maternity or for the care of the elderly).

For further details, see the chapters "[Enel people](#)" and "[Health and safety of people](#)".



## Industrial relations

(Human Rights Policy, “Employment practices”, principle 2.1.3 “Freedom of association and collective bargaining”)

Enel protects the right of its workers to form or take part in organizations aimed at defending and promoting their interests. It also respects their 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 in which they work. The Group believes that collective bargaining is the favored instrument for determining the contractual conditions of its employees and to regulate relations between Company management and trade unions. Industrial relations activities on the Group level continue to be conducted in accordance with the model laid down in the Global Framework Agreement (GFA) signed by Enel in Rome in 2013 and renewed in 2023 with the Italian Feder-

ations in the sector, and the global unions IndustriALL and Public Services International, and which is confirmed as a benchmark best practice for European and non-European multinationals. The agreement is based on international human rights and business principles and is inspired by the best and most advanced transnational industrial relation systems of the reference multinational groups and institutions on the international level, including the International Labour Organization (ILO).

For further details, see the chapter “**Enel people**”.



## Procurement activities and relationships with business partners

(Human Rights Policy)

Besides guaranteeing the necessary quality standards, Enel partners are requested to adopt best practices on human rights, including working conditions, occupational health and safety, environmental responsibility, and respect for privacy by design and by default. These principles are also an integral part of 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. In terms of specific actions, Enel secures that its procurement processes are based on criteria that promote sustainable development and social stability, as well as the principles of free competition, equal treatment, non-discrimination, transparency and rotation over and above compliance with local legislation. 100% of the purchasing product categories are preliminarily assessed in terms of risk, based on human, environmental, social and economic rights criteria. Furthermore, Enel supports its partners to increase their resilience, also in line with the promotion of practices based on a just and inclusive transition. In particular, during 2023 all the activities linked to the target included in the 2023-2025 Sustainability Plan were completed<sup>(4)</sup>. Specifically, the actions carried out were the following:

1. development of a tool to identify any potential human rights hotspots in the supply chain of core product categories;
2. meetings with the main suppliers belonging to core product categories, as part of the action plan to strengthen the integration of the supply chain, to deepen the knowledge of the Group’s commitments and provide information about the new requirements in terms of human rights included in the tenders and provided for by the contractual clauses relating to the mapping of the potential supply chain, traceability and inspections;
3. Supplier Performance Management: a guideline has been drawn up on aspects related to human rights and business practices to support Enel people in evaluating supplier performance in this area in the “Human rights and fairness” category (through the application “Track and Rate”).

For further details, see the chapter “**Sustainable supply chain**”.



(4) Activities for the target included in the 2023-2025 Sustainability Plan: definition of the strategic framework on human rights management in business operations, implementation of the resulting action plans, analysis of results and processing of inputs for updating the strategic framework also in the light of the evolving international context.

## Communities

(Human Rights Policy, “Community and society”, principles 2.2.2, 2.2.3 and 2.2.4 “Respecting the rights of communities”, “Respecting the rights of local communities”, “Respecting the rights of indigenous and tribal peoples”)

Enel’s commitment testifies how much it is aware that its activities can have a direct or indirect influence on the communities. Indeed, individual conditions, socio-economic development and the general well-being of the community are closely connected: Enel is therefore committed to conducting its capital expenditure and the decarbonization path in a sustainable way and to promoting cultural, social and economic initiatives in favor of local and national communities in the areas of influence, to promote social inclusion through education, training and access to energy. It achieves all this also through constant dialogue aimed at requesting prior, free and informed

consent and taking into due account the cultural, social and economic diversity of each country. Furthermore, it requires each of its stakeholders to behave accordingly, paying specific attention to conflict-affected and high-risk contexts and vulnerable groups, such as local, indigenous and tribal populations, for which Enel is committed to respecting the relevant International Labour Organization (ILO) Convention no. 169.

For further details, see the chapter  
“**Engaging communities**”.



## Customers

(Human Rights Policy, “Employment practices”, principle 2.1.2 “Respect for diversity and non-discrimination”, “Community and society”, principles 2.2.2, 2.2.6 and 2.2.7 “Respecting the rights of communities”, “Privacy”, “Communication”)

Enel is committed to a “just energy transition for all”, also through the offer of innovative and inclusive services for its customers, regardless of their age, for weak, destitute, marginalized, vulnerable people, paying particular attention to people with disabilities. It undertakes to always respond to suggestions and complaints from customers and consumer associations, making use of suitable and timely communication systems (for example, call center services, e-mail addresses), and to consider all customer needs, with particular attention to people with disabilities. It is also committed to ensuring that its products and services are designed to be accessible to all and not to compromise the health and physical integrity of its customers, as far as reasonably foreseeable. It is committed to non-discriminatory institutional and commercial com-

munication that respects different cultures and at the same time pays particular attention not to negatively influence the most vulnerable audiences, such as children and the elderly. Furthermore, it requires that contracts and communications sent to its customers are: clear and simple, drawn up using a language as close as possible to the one normally used by the people for which the message is intended to, be exhaustive, available on our website and accessible in order to be inclusive of vulnerable categories.

For further details, see the chapter  
“**Customer centricity**”.



## Cross-cutting issues

### Privacy

Enel respects the confidentiality and rights to privacy of its stakeholders and is committed to the correct use of the data and information relating to people working in its organization, to its customers and to any other stakeholder. Personal data protection and processing is a major challenge in the digitalization and market globalization era. Enel processes personal data respecting all fundamental rights and observes the freedoms and principles recognized by law, in particular respect for private and family life, home and communication, protection of personal data, freedom of thought, conscience and of religion, freedom of expression and information. It also

undertakes 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.



For further details, see the **"Data protection"** paragraph in the chapter **"Sound governance"**.

### Innovation

Enel has a global network of Innovation Hubs and Labs to expand its vision, promoting innovation and sustainability. The Hubs are located in some of the Group's key innovation ecosystems, such as the United States and Europe. They manage a network of relationships with all stakeholders involved in innovation activities, serving as the main source of scouting for startups and SMEs, and fostering financially, environmentally and socially sustainable

solutions. The Labs make it possible for start-ups to work alongside the technicians and experts of Enel's Business Lines in order to develop and test solutions in the most fertile environment possible.



For further details, see the chapter **"Innovation"**.

## Specific salient issues

### Forced labor in the supply chain: the solar sector experience

Since 2013, Enel's commitment against the use of any kind of forced or compulsory labor, as well as all forms of slavery and human trafficking, has been formally defined in Principle 2.1.1 Rejection of forced or compulsory labor and child labor of the Human Rights Policy.

Enel is committed to contributing to the achievement of ambitious climate targets, which implies the need to strengthen and digitalize network infrastructures to enable electrification and efficient use of energy, electrify end uses as much as possible by promoting the active involvement of customers, while supporting such electrification with a massive deployment of renewable energy generation. Photovoltaic (PV) technology is key to enabling the energy transition in the European Union (EU) and around the world, and Enel believes that the EU needs to

have a supply chain of this strategic technology within its borders. The project being implemented to increase the production capacity of 3Sun, the Catania gigafactory for the production of Enel Green Power's photovoltaic cells and modules, from the current approximately 200 megawatts (MW) to 3 gigawatts (GW) is pursuing this aim.

Additionally, Enel's internal supplier qualification and contracting processes include rigorous technical, financial, legal, environmental, health and safety, human rights and ethical integrity requirements that are consistently applied across all markets. Enel supports suppliers in adopting a traceability system to collect information on the supply chain and making on-site visits to companies involved in it. Finally, Enel participates in several initiatives to improve transparency throughout the supply chain by collaborating with other utilities, suppliers and industry associations, including Solar Power Europe.

# Access to remedy

| 2-25 | 2-26 | 411-1 |

Enel continuously monitors whether stakeholders are affected by our company's business operations, and if any impact is identified, we put in place remedial actions.

Access to the remedy is ensured through grievance mechanisms that allow people, inside or outside the company, to flag that there is an issue and to seek a meaningful response:

- a **whistleblowing** channel, available to internal and external stakeholders, accessible:
  - online or via a toll-free number, as stated on the Enel Code of Ethics web page;
  - by addressing a letter to: Enel SpA – Funzione Audit – Codice Etico. Via Dalmazia, 15 – 00198 Roma, Italy.Whistleblowing reports are handled in accordance with a specific process detailed in the "Handling of anonymous and non-anonymous reports" policy, also illustrated in point 3.1 "Stakeholders grievance" of the Human Rights



Policy. For further information and details on stakeholder grievances, see the "Values and pillars of corporate ethics" paragraph of the "Sound governance" chapter;

- several processes and tools available to the communities in the influence area of our operations. People who wish to contact Enel can do so through local channels, such as the Group's local team or a specific person, toll-free numbers, or, in the case of isolated rural communities, a local leader available to periodically collect any complaints;
- **customer** complaint or information channels (via email, website, toll-free number). 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.

## Remedy in legacy projects

| 3-3 | 413-2 | EU22 DMA (former EU20) |

Below is an illustration of the impacts<sup>(5)</sup> of some legacy projects.

CHILE	
	1 thermal coal-fired power plant   decommissioned in 2022   actual impact Plant name: <b>Bocamina II</b>   Location: Coronel region of Bío Bío   Size: 350 MW
	1 hydro power plant   in operation   actual impact Plant name: <b>Ralco</b>   Location: Alto Bío Bío   Size: c. 700 MW

### CHILE | BOCAMINA II

#### Actual adverse impact

Land management and relocation.

#### Affected stakeholders

Families living in the area surrounding Bocamina's II unit which was adjacent to the first unit.

#### Context

The plant was part of the coal-fired thermoelectric complex of Bocamina, whose first unit (128 MW) shut down at the beginning of 2021. The second unit (350 MW), shut down at the end of September 2022, was built in an area characterized by high urbanization and social vulnerability that generated impacts on the housing units around the construction site. With such closures, after the one involving the Tarapacá plant in 2019, Enel has become the first power company in the country to stop using coal for its generation operations, 18 years ahead of the original 2040 goal set within Chile's 2019 National Decarbonization Plan.

(5) Impact occurred.

### Remedies identified

Engagement with the community has led to the development and the implementation of a broad series of initiatives for the social, economic and entrepreneurial development of the affected community, as well as an ambitious revegetation project to transform the 10-hectare area of the plant's ash landfill, which will no longer be used, into a native forest. Furthermore, in line with the principles of the circular economy, various alternatives are being studied to reuse the facility's assets in order to provide new life to the site and create development opportunities for the area. In 2017, an in-depth analysis was carried out, with the support of a company with considerable experience in the field, to review how the original relocation process was carried out with the purpose of remediating any gap vs international existing standard. Among the gaps that emerged as more evident are the inequality and partiality of the agreements previously reached both with the persons concerned and with local authorities, as well as the misalignment with international standards on resettlement. The new plan, which aims to resolve these gaps, involves around 1,400 families, most of them identified as vulnerable groups by the Ministry of Social Development's classification.

### Key lines of work

- a. *Preservation of the social and human capital of the communities:*
  - i. remedy construction defects of some of the new homes which were identified thanks to a joint technical committee involving Enel, the affected community and the Center of Investigation and Technologies of Construction (CITEC) - Universidad del Bío Bío;
  - ii. quantifying and compensate the impacts on the quality of life of families affected by construction defects and the impact associated with 12 churches



### Actual adverse impact

Land management and relocation.

### Affected stakeholders

Families who live on indigenous land.

### Context

The area of Alto Bío Bío where the plants are located records a historical setting of the indigenous Pehuenche populations whose presence in the area of influence of the plant amounts to approximately 3,000 people, equivalent to 800 families spread across 11 communities. The construction of the Ralco plant led to the flooding of almost 3,500 hectares of indigenous land, and involved the relocation of 81 families (about

that were not involved in the relocation process;

- iii. finance the reconstruction of the historic school of Coronel, "Rosa Medel", as agreed with the municipality and the community;
  - iv. requalify new and pre-existing areas adjacent to the site:
    - building 12 community headquarters in various new neighborhoods;
    - painting of a 3,500 square meter mural - one of the largest in Chile - along the external perimeter of the Bocamina power plant, through the narration of the history of Coronel and its inhabitants (involving dozens of neighborhoods and organizations);
  - v. just transition agreement with the Municipality of Coronel, through which the local government will be able to invest in strengthening health and education services, along with completing the construction of a new school and park.
- b. *Socio-economic development:*
    - i. support to artisanal fishing in the form of dedicated loans (defined jointly with the local fishing community);
    - ii. support to local businesses in the form of dedicated funding.

### Grievance

In line with the United Nations Guiding Principles on business and human rights, both physical and online grievance channels have been made available to the community. Once received, reports are handled internally through a dedicated process. Over 135 reports were received during 2023. By the end of the reference period, 88% had been taken up<sup>(6)</sup>.

For general details see the website <https://www.enel.cl/en/sustainability/creating-shared-value/bocamina.html>.

400 people) who moved to the territories of the indigenous communities of Ayin Mapu and El Barco, located respectively in the municipalities of Santa Bárbara and Alto Bío Bío.

To support this relocation, Enel has ensured, for 10 years, social services, housing and a plan of continuity assistance (PAC) to affected families, addressing historical issues and establishing a permanent dialogue with all communities in the area.

### Remedies identified

The engagement of the local community led to the establishment of improvement plans regarding:

- a. *Education for children and young people in the area of influence:*

(6) The remaining 12% has been taken up in 2024.

- i. access to and permanence in formal education considering that the average number of years of schooling in the area is 6.5 years, well below the number of years of compulsory education in Chile. The initiative involved awarding scholarships to cover school fees, room and board and study materials. In 2023, more than 640 students benefited from the program, 60% of them women and 95% belonging to the Pehuenche indigenous community;
  - ii. transport support, access to technology, and scholarships for secondary and higher education;
  - iii. involvement of intercultural Pehuenche assistants in the teaching process;
  - iv. construction of the Quepuca Ralco school<sup>(7)</sup>.
- b. *Economic development to support the self-dependence of local communities:*
- i. improvement of production plants and equipment;
  - ii. skills enhancement through training in areas such as agriculture and tourism.
- c. *Cultural identity programs:*  
measures to support indigenous communities in developing cultural initiatives aimed at promoting, consolidating and sustaining cultural practice, such as traditional ceremonies, language preservation, dissemination of culture and others. These include the start of

construction work on the Quepuca Ralco Indigenous Cemetery and the Memorial Monument. The related planning was done jointly with the communities that will use these spaces.

- d. *Risk reduction initiatives for emergency situations:* agreement with the Municipality of Alto Biobío to address the multidimensional housing poverty of the local population and reduce risks in emergency situations by improving the skills and training of vulnerable groups, so as to improve their capacity to react to emergencies linked to volcanic eruptions and forest fires.
- e. *Access to energy:* collaboration with the Municipality of Alto Biobío for the maintenance of 120 photovoltaic panels belonging to families residing in the area, in order to allow them to access clean and sustainable energy.

### Grievance

In line with the United Nations Guiding Principles on business and human rights, both physical and online grievance channels have been made available to the community. Once received, reports are handled internally through a dedicated process. 28 reports were received in 2023, all of which were taken up.

## COLOMBIA



1 hydro power plant | in operation | actual impact  
Plant name: **El Quimbo** | Location: department of Huila | Size: 400 MW

## COLOMBIA | EL QUIMBO

### Actual adverse impact

Land management and relocation.

### Affected stakeholders

People and families with productive or commercial activities in the area of influence of the plant.

### Context

The plant is located in the Department of La Huila, and its construction has contributed to greater energy security and stability of the Colombian electricity system, as well as promoting economic growth of municipalities in the area of influence, in line with the development goals set by the Department of La Huila.

### Remedies identified

Community engagement began at the end of 2014 and led to the development and adoption of a multi-year plan that includes a wide range of initiatives mainly divided into:

- a. *Environmental management:*
  - i. awareness raising campaigns;
  - ii. preservation of biodiversity and nature: restoration of >11,000 hectares of tropical dry forest.



For further details, see the chapter  
“**Roadmap towards natural capital conservation**”.

(7) The School is awaiting official recognition by the Ministry of Education. This will allow it to become fully operational, together with the boarding school and the space made available for the local community.

**b. Socio-economic development:**

Activities focused on providing support with technical issues related to production processes and how to improve their efficiency. Over the last 10 years, more than 30 projects have been carried out in the Municipalities of Altamira, Tesalia, Paicol, Garzón, Gigante and El Agrado, involving an investment of more than 2 million euros and over 15,000 families in the Department of La Huila. The most significant cooperation agreements relate to the implementation of agricultural production plans agreed with around 90 families relocated to Garzón, Altamira, El Agrado and Gigante. With an investment of over 800,000 euros, the beneficiaries have improved and increased the production and marketing of various foods such as corn, wheat, lemons, milk, cocoa, tomatoes and a wide range of fruits, including products for their own consumption. Below are some examples of the main agreements reached in 2023.

**Municipality of Garzón**

**Planting of 100 hectares of coffee jointly with plantains**

The project aims at getting coffee varieties that are resistant to rust and produce higher yields, and is intended for 100 farmers who will receive coffee seedlings, fertilizers and agricultural equipment. In addition, technical, social and environmental monitoring will be carried out to guarantee the sustainability of their crops and increase coffee production. Enel will cover approximately 40% of the total investment (approximately 250,000 euros).

**Optimization of the local marketplace meat module electrical appliances**

The project aims at revamping the electricity networks built more than 20 years ago and will benefit over 70 traders. Enel will cover approximately 80% of the total investment (over 110,000 euros).

**Municipality of Tesalia**

**Installation of sugarcane molasses processing plant**

This initiative will benefit small and medium-sized sugarcane growers, with the construction of a sugarcane molasses processing plant and the planting of 15 hectares of new sugarcane, with the aim of increasing panela manufacturing and improving the living conditions of families. Enel will cover more than 80% of the total investment (over 65,000 euros).

**Improvement of livestock farming infrastructure**

The project aims to improve livestock farming infrastructure and health conditions for cattle, as well as to increase milk production, with the supply of silage or

concentrated feed, for greater sustainability and profitability of farming, in order to improve the economic prospects of the agricultural companies involved, all belonging to the ASOGATE, ASOGAPAC and FOGAGRO associations. Enel will cover more than 80% of the total investment of over 90,000 euros, with the Municipality of Tesalia and the associations covering the rest.

**Strengthening of the cocoa production chain**

The initiative concerns the supply of specific machinery and fertilizers, with the aim of increasing cocoa production by 75%. Enel will cover 80% of the total investment of over 80,000 euros.

**City of Paicol-Huila**

**Livestock farming development**

This project, which will benefit 94 farmers, aims to contribute to the development of livestock farming the region, improving milk production rates and the genetic quality of the livestock. The total investment is approximately 140,000 euros, 30% of which will be covered by Enel.

**Strengthening cocoa production**

This is a project that began some time ago and involves the United States Agency for International Development (USAID), the Luker Foundation, Luker Chocolate, the Saldarriaga Concha Foundation and EAFIT University, and aims to strengthen cocoa production by training producers, carrying out environmental assessments to support production, support the cultivation of cocoa plants (through all stages of development), assist with fight against parasites and diseases. At the end of 2022, activities began to extend the program to a greater number of growers and an event was organized in the second half of 2023 to promote the initiative. Training was successfully provided to nearly 400 local producers. Furthermore, over 4,000 cocoa trees were planted in the municipalities of El Agrado, Pital, Gigante and Garzon, and over 21,000 in the municipalities of Hobo and Algeciras. Finally, a weekly monitoring system has been set up in over 20 farms to detect the presence of crop parasites and diseases, which has shown a significant improvement in their health.

**Grievance**

In accordance with the provisions of the United Nations Guiding Principles on business and human rights, both physical and online grievance channels have been made available to the community. Once received, reports are handled internally through a dedicated process. During 2023, over 600 reports were received with requests for information and/or clarifications on the progress of the actions agreed in connection with obtaining the environmental license, all of which were taken up.



### Other relevant information

Some local inhabitants/fishers have started “acciones de grupo” and “acciones populares”, which are currently pending, declaring that the revenues from their businesses have been reduced as a result of the construction of the power plant and alleging that the activities of filling the Quimbo dam have had an impact on downstream fishing and the respective environment. For more details, see the paragraph related to El Quimbo, in the section “Contingent assets and liabilities” of the 2023 Integrated Annual Report.

Furthermore, during 2023, Enel received a letter from the United Nations Special Rapporteurs<sup>(8)</sup>, as part of the communication procedure of the Special Procedures of the

United Nations Human Rights Council, requesting information relating to:

- the impact of the El Quimbo project on the stakeholders in the area of influence and on their right to a “healthy environment and food” and the reporting channels made available to them;
- the Group due diligence process;
- measures to remedy the “potential negative impacts on human rights and the environment” caused by the project in the surrounding areas of the Magdalena and Suaza rivers.

Enel answered all the questions (the full text of the reply can be found on the United Nations website) describing its overall approach to human rights in business practices.

## Other projects

### WINDPESHI (La Guajira)



1 wind power plant | currently suspended | Size: 200 MW

#### Context

The plant, whose construction is currently suspended, would have contributed to diversifying the country’s energy mix.

#### State of development

On May 24, 2023, Enel announced the suspension of the construction of Windpeshi for an indefinite period of time. This circumstance mainly implies the interruption of all the construction works other than those that are strictly necessary for the fulfillment of the project’s social and environmental commitments.

The decision was made by the Board of Directors of Enel Colombia given the impossibility of guaranteeing the construction pace of the project.

The decision, as stated in the specific press release from Enel Colombia dated May 24, 2023, “was taken after careful analyses and feasibility studies which led to the conclusion that it is not possible for the Company to continue with the construction of Windpeshi”, as “projects must be sustainable not only socially but also economically, and their success depends on collaboration between businesses, institutions and communities”<sup>(9)</sup>. The Group will however continue to engage with communities and all relevant stakeholders to address the implications of this decision.

To go into more detail, in addition to the resources used to carry out the commitments made during the prior consultation, more than 7.1 billion Colombian pesos have been invested in projects relating to quality education, access to water and economical progress.

#### Stakeholder engagement

The community in the area of influence where the plant would be built is made up of indigenous populations residing in the Municipalities of Maicao and Uribia, belonging to the Department of La Guajira. This area is characterized by a significant presence of indigenous communities, which represent 20% of the total population of Colombia. In addition to Enel’s commitment to listening to and proactively engaging with local communities, with particular attention to the most vulnerable communities, such as indigenous and tribal populations in line with ILO Convention no. 169<sup>(10)</sup>, the national law provides that prior consultation of indigenous populations must take place according to a specific process.

Such process involves the directorate of the Ministry of the Interior national prior consultation authority, that is responsible for determining whether a community is subject (or not) to prior consultation, and that guides, directs and coordinates the exercise of the right to preliminary

(8) Special Rapporteur on the Situation of Human Rights Defenders; Chair-rapporteur of the Working Group on Human Rights and Transnational Corporations and Other Business Enterprises; Special Rapporteur on the Issue of Human Rights Obligations Relating to the Enjoyment of a Safe, Clean, Healthy and Sustainable Environment; Special Rapporteur on the Promotion and Protection of the Right to Freedom of Opinion and Expression.

(9) Enel Colombia press release: <https://www.enel.com.co/es/prensa/news/d202305-suspension-indefnida-windpeshi.html>.

(10) Principle 2.2.4 “Respect for the rights of indigenous and tribal peoples”, Enel Human Rights Policy 2021.

consultation, through appropriate procedures, ensuring the participation of the communities through their representative institutions. All in compliance with the reference regulatory framework.

The Ministry of the Interior also acts as a third party at meetings held with the communities, which are documented through minutes signed by the Company, the Ministry and the community representatives. The Ministry of the Interior is also in charge of setting up follow-up meetings during which it goes through the list of planned actions to verify progress according to the schedule agreed during consultation.

Documentation about progress on the projects agreed with the communities, planning and prioritization of resources, yearly update of the population census of the certified communities are a fundamental and transparent way to make sure rights of communities are respected.

### Key lines of work

Below is a summary of the actions taken before the suspension:

- a. *Socio-economic development*:
  - i. access to drinking water:
    - two public basins were built to provide drinking water to communities in the area of influence;

- a non-functioning aqueduct was repaired, which allowed water to be supplied to communities along the road to Windpeshi. Both actions benefited 3,000 people belonging to the indigenous Wayuu population;

### ii. education:

- agreement signed with SENA (Servicio Nacional de Aprendizaje) to provide technical training and certify the level of skill achieved by participants. Actions concerned job training on basic construction works and support to entrepreneurship development through marketing, sales and handicraft courses aimed at empowering communities to develop their own business;
- joint project with Artesanías de Colombia in the Wayuu territory regarding traditional artisan weaving practices. The training activities involved 560 people, including 270 through the agreement with SENA and 290 through the joint project with Artesanías de Colombia.

### Other

An agreement was also reached with the University of La Guajira for the drafting of an intercultural manual, an essential instrument for understanding the dynamics and specific aspects of the ethnic communities.

## Midelt, Boujdour and Essaouira



3 wind power plants | 2 in operation and 1 under construction  
 Sizes: 210 MW, 300 MW and 270 MW

### Context

In March 2016, a consortium between Enel Green Power and the Moroccan company Nareva, in partnership with the supplier Siemens Renewable Energy, was awarded the project for the development, construction, and management of wind plants.

The energy produced by the wind farm will be sold to ONEE that will use this energy for the benefit of all final users, including the local population.

### State of development

In operation: Midelt, 210 MW wind farm located approximately 20 km from the center of Midelt and Boujdour, 300 MW wind farm located approximately 180 km south of the port of Laayoune (Port of Marsa). Under construction: Essaouira, 270 MW wind farm located approximately 28 km from the city of Essaouira.

### Midelt

#### Stakeholder engagement

- 2015: preliminary analysis of the social, economic and environmental context ("SEECA") to identify the relevant socio-economic issues and the specific needs of local communities;
- 2019: environmental and social impact assessment (Environmental Social Impact Assessment – ESIA);
- 2020: new SEECA and consultation.

#### Key actions implemented

- a. *Environment (sustainable building site and during operation)*: assessment and mitigation of environmental impacts, including CO<sub>2</sub> emissions, waste and water, by means of:
  - photovoltaic mini-grid plus storage used to power basecamp, auxiliary services of the base camp and turbines erection;

- stand-alone PV modules used to power prefabricated buildings/containers and streetlights;
  - utilization of energy efficient technology (LED lamps, solar water heating system) to reduce electricity consumption;
  - water recycling solution installed in all water systems;
  - implementation of a biodiversity preservation plan aimed at protecting the local ecosystem, among which plantation of local trees and species nearby the building area.
- b. Health and safety at work:** application of the highest standards, in line with Enel's usual practices.
- c. Socio-economic development (during construction and operation):**
- i.** training and hiring of over 250 people for non-specialist jobs (during the construction phase), all from the Midelt community;
  - ii.** maximized hiring of local small and medium-sized businesses for auxiliary services (including transportation, cleaning, catering, supply of materials, etc.). This was aimed also at supporting the local economy particularly affected by the consequences of the pandemic;
  - iii.** food basket provision to the most vulnerable local families.
- d. Promotion of education (also during the operational phase):**
- i.** classes dedicated to approximately 1,400 beneficiaries of 6 local schools in Amersid & Mibladen rural communes, held by local volunteers that covered topics related to renewables and the operation of wind plants;
  - ii.** setting up of a yearly scholarship granted to one university student coming from the community of Midelt;
  - iii.** adoption of a sustainability and environmental education program called AKABAR AL MAARIFA to train professionals in Midelt schools and educate primary school children with the aim of:
    - developing ecological and social awareness, environmental sensitivity, behaviors and skills;
    - promoting active participation in community issues from early childhood, in order to build environmental citizenship from primary school;
    - introduce, in addition, an effective training and professional development program to equip teachers with the knowledge, values, skills and strategies necessary to implement the above environmental citizenship.
- e. Healthcare during the operational phase:**
- i.** setting up of a health facility (caravan) made avail-

able to 1,400 students from neighboring schools for various types of specialist visits (general practitioners, dentists, ENT specialists, etc., and supply of glasses where necessary) to combat school dropout among students children caused by health problems.

## Boujdour

### Stakeholder engagement

- 2015: preliminary analysis of the social, economic and environmental context ("SEECA") to identify the relevant socio-economic issues and the specific needs of local communities, including the development of infrastructure, education, healthcare, poverty problems, social services and the protection of inherited cultural assets;
- 2019: environmental and social impact assessment (Environmental Social Impact Assessment – ESIA);
- 2020: human rights due diligence<sup>(11)</sup>, a new SEECA and consultation which involved vulnerable people groups self-identifying as Saharawi.

### Main actions taken

- a. Environment (sustainable construction site and during operation):** see the information already provided for Midelt.
- b. Occupational health and safety:**
- i.** application of the highest standards, in line with Enel's usual practices.
- c. Socio-economic development (during construction and operation):**
- i.** training and hiring of Saharawi people:
    - setting up a training center in the base camp during the construction phase with civil and electrical training aimed at bridging the local skills gap, thus creating the opportunity to use these skills in the future;
    - hiring of around 200 people for non-specialist jobs, >90% from the local Sahrawi community during the construction phase;
    - hiring of technical personnel for O&M management, turbine service provider and substation maintenance, security and cleaning services;
  - ii.** maximized hiring of more than 100 local small and medium-sized businesses for auxiliary services (including transportation, cleaning, catering, supply of materials, etc.). This was also aimed at supporting the local economy particularly affected by the consequences of the pandemic;

(11) In line with the United Nations Guiding Principles on Business and Human Rights and in collaboration with an independent non-profit organization with international expertise in human rights and business.

- iii. *ad hoc* infrastructure for the needs of people and small local businesses in the area of influence of the project:
  - during civil works, new sections of road were built as well as requalifying existing ones (approximately 60 km). This activity allowed to reconnect main roads with grazing areas, thereby benefiting the pastoral communities in remote areas;
  - due to the newly available renewable electric energy generated by the Boujdour plant, the local electricity connection to the city of Boujdour is being reinforced;
- iv. support for local Sahrawi nomadic camel drivers through the provision of water tanks and cisterns;
- v. food basket provision to the most vulnerable local families.
- d. *Promotion of education*:
  - i. education and vocational training programs designed to fight against primary school dropout, filling the mismatch between training and employment opportunities, providing knowledge about renewable energy. The initiatives involved approximately 1,000 beneficiaries of 11 local schools, and related specifically to:
    - entrepreneurship: workshops to introduce young people to entrepreneurial activities;
    - “It’s My Business”: promotion of the development of entrepreneurial skills of middle school students through gamification and contact with entrepreneurs known nationally and internationally;
    - business program: learning all the stages of setting up a business and participation of young high school students in various competitions, at local, national and regional (MENA) level;
    - lessons held by local volunteers from Nareva and Enel Green Power Morocco on topics related to renewables and the operation of wind plants;
    - establishment of an annual scholarship awarded to a university student from the Boujdour community.
- e. *Healthcare*:
  - i. setting up of a medical facility (caravan) made available to 1,000 students coming from surrounding schools for specialist examinations of various types (general practitioners, dentists, ear, nose, and throat doctors, etc. plus provision of eyeglasses when needed) as a mean to fight children school dropout caused by health issues.

## Essaouira

### Stakeholder engagement

- 2015: preliminary analysis of the social, economic and environmental context (“SEECA”) to identify the relevant socio-economic issues and the specific needs of local communities, including the development of infrastructure, education, healthcare, poverty problems, social services and the protection of cultural assets;
- 2021: Environmental Social Impact Assessment (ESIA).

### Main actions taken

- a. *Environment*: please refer to Midelt and Boujdour description.
- b. *Occupational health and safety*: application of the highest standards, in line with Enel’s customary practices.
- c. *Socio-economic development (during construction)*:
  - i. training and hiring of employed for civil and electrical works;
  - ii. hiring of 332 people from the local community for non-specialist jobs;
  - iii. maximized the hiring of local small and medium-sized businesses for auxiliary services (including transport, cleaning, catering, supply of materials, etc.).
- d. *Promotion of education and other services*:
  - i. training dedicated to around 400 beneficiaries from local schools, held by local volunteers, who covered topics related to renewables and the safety measures used during the construction of wind plants;
  - ii. installation of safety fences for local schools near roads;
  - iii. restoration of a place to visit a local religious saint for the benefit of the local community.

### Grievance

The management system for all three facilities has been defined in line with the United Nations Guiding Principles on Business and Human Rights.

Once received, reports are recorded, analyzed and classified from 1 to 3 (the rating takes into account repetition and severity; 1 is the lowest score, 3 the highest). The analysis allows a potential solution to be identified. Once the solution is agreed, the report is deemed to be completed. The communities have various channels available: on-site suggestion boxes, post and electronic mail, telephone, company staff present during site visits. The language

used is Arabic and, when a member of the community is not able to write and speaks a dialect, a translator is identified inside or outside the construction site.

In particular, the reports handled for all three projects concerned:

1. request on using local labor from the community. Solution agreed: hired non-qualified workers as described at point c., i. of the main actions adopted in Midelt and Boujdour;
2. request for using local SME's. Solution agreed: contractors, with the support of local stakeholders, launched a beauty contest to select local service pro-

viders from the city of Midelt as suppliers for the services and equipment needed as described at point c., ii. of the main actions adopted in Midelt and Boujdour.

Furthermore, for **Essaouira** a request of repairing water pipes that were damaged was made. Solution agreed: the water pipe was repaired to ensure water supply continuity while starting the building of a brand new one. The first request was satisfied (to guarantee the continuity of the water supply) and at the same time the construction of a new pipe began. For the second, contractors began irrigating the streets using recycled or sea-pumped water, to reduce dust raised during transportation.

### Osage Wind (Osage County, Oklahoma, USA)



1 wind power plant | in operation | Size: 150 MW

In a case brought by the United States of America (as trustee of the Osage Nation) and the Osage Mineral Council against Enel Green Power North America, Enel Kansas LLC and Osage Wind LLC, on December 20, 2023, an order was issued by the Federal District Court of Northern Oklahoma providing for the future removal of the wind farm and the continuation of the judgment to determine damages. The proceedings are continuing in the first instance, and the opposing claims are contested in full; the

order, which is not final, will be appealed in the appropriate venues and at the appropriate time.

Osage Wind operates for the benefit of the local community providing funds for the Osage area schools every year. Furthermore, farmers, ranchers and other Osage landowners benefit from the rents accrued by leasing their private property as part of the project and the region benefits from clean, renewable energy that powers 50,000 homes.

# TAX TRANSPARENCY

3-3 | 207-1 | 207-2 | 207-3 | 207-4

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Business conduct and ethics

## SUSTAINABILITY PLAN PILLAR

SOUND GOVERNANCE

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Below the 2023 results related to the previous 2023-2025 Sustainability Plan, the resulting progress and targets of the 2024-2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
<b>TAX TRANSPARENCY</b>			
<b>Cooperative Compliance Index</b> Group companies membership to cooperative compliance schemes (cooperative compliance with tax authorities)	<b>95%</b>	<b>96.7% in 2026</b>	

### Goals



### Progress



N.A. = not applicable, target not included in the 2023-2025 Sustainability Plan

## Tax strategy

Since 2017, the Enel Group has had a tax strategy<sup>(1)</sup> consisting of a set of principles and guidelines inspired by the values of transparency and legality and published online at [www.enel.com](http://www.enel.com). The Group's subsidiaries are required to

adopt the tax strategy approved by the Parent Company, thereby assuming the responsibility for ensuring that it is understood and applied.

## Tax strategy objectives

The **Board of Directors** of Enel SpA (BoD) defines the tax strategy of the entire Group in order to ensure a fair, responsible and transparent tax contribution and guarantee a uniform management of taxation for all concerned entities, which is inspired by the following logic:

- correct and timely determination and settlement of

taxes due under the law and implementation of the respective obligations;

- correct management of the tax risk, understood as the risk of violating the tax rules or abusing the principles and purposes of the tax system.

(1) Updated to September 21, 2022 by resolution of the Board of Directors of Enel SpA (BoD).

# 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 own sustainability strategy, the Group manages its tax assets in compliance with the values of honesty and integrity and is aware that the revenues deriving from levies represent one of the main sources of contribution toward economic and social development of the communities in the countries in which it operates.

**Legality:** the Group pursues behavior oriented toward observance of the applicable tax provisions and is committed to interpreting them in order to respect not only their form but also their substance.

**Tone at the top:** the Board of Directors has the role and responsibility of guiding dissemination of the corporate culture and values described above.

**Transparency:** the Group is transparent to all stakeholders and actively collaborates with the tax authorities, enabling the latter, *inter alia*, to gain a full understanding of the facts underlying the application of tax rules.

**Stakeholder value:** the Group implements a sustainable business model, aimed at creating and distributing value to all stakeholders over the long term. Tax contribution is one of the key components of the value distributed to communities and is managed in compliance with the principle of legality and through active cooperation with the tax authorities in accordance with the principle of transparency.

## 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 up-

dates. In particular, the tax strategy is reviewed annually and any changes that may be deemed necessary are submitted to the Board of Directors of Enel SpA (BoD), which decides on them.

## Compliance

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 are respected. In addition, the Enel Group does not engage in behaviors and operations, domestic or cross-border, that result in purely artificial constructions that do not respect eco-

nomical reality and which may be reasonably assumed to offer undue tax advantages. This is because they are contrary to the purpose or spirit of the relevant tax provisions or system and generate phenomena of double deduction, deduction/non-inclusion or double non-taxation, including as a result of asymmetries between the tax systems of the different jurisdictions.

## Intercompany transactions

Intercompany relations are structured at market prices and conditions, ensuring value creation in the locations where the Group conducts its business. For all intercompany transactions relevant to transfer pricing regulations, the Enel Group has adopted a policy that is in line with the principle of free competition (arm's length principle), an international standard established by the Model Tax Convention and detailed in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (hereinafter also referred to as the "OECD Guidelines"). To this end, the Group has put internal policies in place that comply with these guidelines

and mainly provide for the application of the Comparable Uncontrolled Price – CUP method (which compares the price of goods transferred and/or services provided in a transaction concluded between associated companies with the price applied in transactions between independent third parties). The Group's transfer pricing policies refer to the following types of transactions: managerial services, technical and ICT services, staff secondments, intragroup loans, intercompany current accounts, guarantees and platforms.

Furthermore, consistent with the applicable regulations, Advance Pricing Agreements (APAs) are sought with lo-

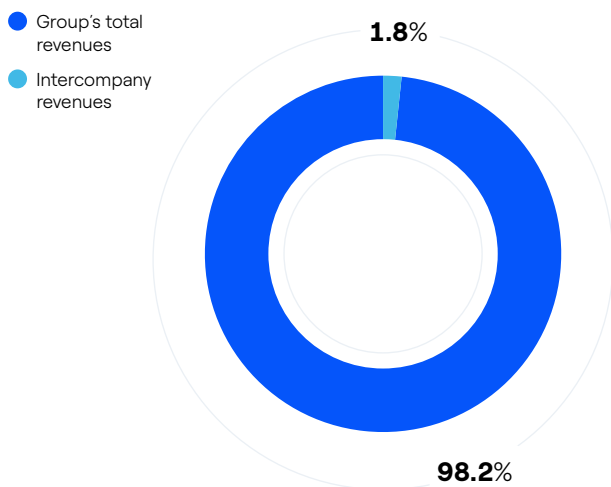
cal tax authorities on the determination of transfer prices and the application of rules relating to cross-border flows between Group entities. The APAs in force in 2023 are concentrated in Spain and relate to the management of common services in line with the Group's transfer pricing policies. During 2023, discussions began with the Dutch Tax Authorities with the aim of reaching an APA agreement aimed at confirming the transfer pricing methods applicable to the Group's financial transactions. The same transfer pricing policies have been positively discussed with the Italian Revenue Agency as part of the cooperative compliance regime.

In particular, with specific regard to intercompany financial transactions, the Enel Group has organizationally adopted a centralized finance model for its subsidiaries, which requires that the Group's two financial companies, Enel Finance International (EFI) and Enel Finance America (EFA), centralize part of the treasury and financial market

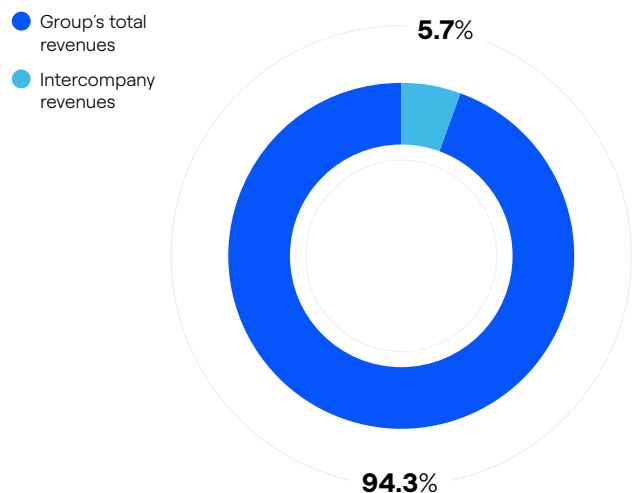
access activities and act as the primary point of reference for the management of financial or liquidity needs generated by the operating entities.

Before concluding any contract between its companies subject to transfer pricing regulations, the Enel Group manages this process using specific management and monitoring software which allows verification of the correct application of the selected methods, the margins obtained and more generally of transfer pricing policies, where applicable. Finally, when analyzing the size of intercompany transactions, it can be seen that these account for a minimal percentage (generally around 6%) of the Group's total aggregate revenues<sup>(2)</sup>, due to the fact that the energy business is conducted almost entirely within the boundaries of the individual Country, from the power generation process to market sales. In 2023, intercompany transactions as a percentage of the Group's total aggregate revenue amounted to approximately 1.8%<sup>(3)</sup>.

### INCIDENCE OF INTERCOMPANY REVENUES 2023



### INCIDENCE OF INTERCOMPANY REVENUES 2020-2022



(2) The calculation was carried out by comparing the revenues of cross-border intercompany transactions on the basis of the total revenues reported in the OECD CbCRs (Country-By-Country Reports) of the respective tax periods (i.e., 108,165 million euros in 2020; 156,619 million euros in 2021; 267,913 million euros in 2022 and 168,447 million euros in 2023).

(3) The average value shown for 2023 is lower than the average value for previous years due to the results for the 2021 tax year, which, with the same number of intercompany transactions, saw an exponential increase in commodities and associated hedging transactions, with impacts on revenues, which led to an increase in this percentage to 10% in the reporting year, accordingly increasing the average value.



## Low-tax jurisdictions

The Enel Group is present in the countries in which it operates exclusively for business reasons and this presence is not guided by tax-related purposes. The Group does not make investments in or through countries considered to have privileged taxation, hereinafter also “Low-tax jurisdictions”<sup>(4)</sup>, for the sole purpose of reducing or transferring the tax burden. Such investments can only be considered if they are supported by valid economic reasons and are intended for development, in line with the business purpose of the Enel Group.

In cases where, in specific situations (e.g., the purchase of companies from third parties), the presence of structures created for the sole purpose of reducing the tax burden or located in territories that qualify as Low-tax jurisdictions is found, the Group is committed to eliminating such structures as quickly as possible.

The definition of the criteria for identifying the so-called “Low-tax jurisdiction” is not unanimous at an international level and there are different lists which are prepared for example by institutions<sup>(5)</sup> and non-governmental organizations<sup>(6)</sup>.

Recently, in its work relating to the Global Minimum Tax (GMT)<sup>(7)</sup>, the OECD defined a Low-tax jurisdiction as a jurisdiction in which a multinational group is subject to an Effective Tax Rate (“**ETR**”) of less than 15%.

Furthermore, through the so-called Transitional Safe Harbours, the GMT excludes countries which, despite having a tax rate of less than 15%, are places where companies are rooted, as proven by adequate amounts of material assets and/or personnel<sup>(8)</sup> or where business earnings are economically irrelevant and such as to exclude a priori a potential tax risk<sup>(9)</sup>.

Considering that the aforementioned Global Minimum Tax regulation (the ETR Minimum Tax indicator and the tests related to the substance and economic relevance of the business) has become a reference for defining a “Low-tax jurisdiction”, the Enel Group has decided to use this definition and, in keeping with its tax transparency strategy, represents that from the estimates made on the basis of the best interpretation of the documents published by the OECD, on the data as of December 31, 2023, almost all of the Group countries appear to have adequate levels of taxation and substantial level of presence of its business.

On a more general level, while adopting the ETR as defined by the rules on the minimum tax as a reference for identifying countries potentially having preferential taxation, Enel believes that the most representative indicator for evaluating the tax contribution in the territories where it has a presence is the Total Tax Contribution as defined in this section relating to tax transparency.

## Tax incentives

Tax incentives are a key, development-oriented mechanism for economic policy, which countries use to stimulate growth and attract investment to support the national policy. The use of tax incentives generally determines a reduction in long-term tax payables (tax reduction) or else only the temporary deferral of the tax payment (tax deferral).

The Enel Group only uses widely applicable tax incentives for all operators and respects all specific regulations,

where the incentives are in line with its industrial and operational objectives and are consistent with the economic substance of its investments. The main incentives that the Group benefits from relate to investments in renewable energy in countries that support the energy transition with these economic policy instruments, mainly the United States.

(4) For simplicity, this refers to tax havens, countries considered to have privileged taxation or low taxation, etc.

(5) EU list of non-cooperative jurisdictions for tax purposes as of October 2023: American Samoa, Anguilla, Antigua and Barbuda, Bahamas, Belize, Fiji, Guam, Palau, Panama, Russia, Samoa, Seychelles, Trinidad and Tobago, Turks and Caicos Islands, United States Virgin Islands, Vanuatu. Countries that cooperate with the EU but have pending commitments are: Albania, Armenia, Aruba, Botswana, British Virgin Islands, Costa Rica, Curaçao, Dominica, Eswatini, Hong Kong, Israel, Malaysia, Turkey and Vietnam.

(6) For example, Tax Justice Network, Oxfam and Observatorio de Responsabilidad Social Corporativa in Spain.

(7) Tax agreement signed in 2021 by around 140 countries.

(8) Routine profit test: this is passed when the sum of a percentage, applied to personnel costs and the value of tangible fixed assets, exceeds the EBT for the year. The purpose of this test is to exclude from GMT a multinational group that has a significant level of economic substance in a country on the basis of production assets held and personnel costs.

(9) *De minimis* test: this is passed if both of the following conditions are met in a country: a) revenue under 10 million euros and b) income (EBT) under 1 million euros. This test is intended to exclude those countries where the economic presence of a group is minimal or in the start-up phase.

# Tax governance, control and risk management

## Governance body

Enel's organization model provides for: (i) at least an annual flow of information to the Board of Directors from the Tax unit (so-called "Tone at the top")<sup>(10)</sup> with regard to the tax risk management and control system and the Tax Transparency Report, in which all relevant tax aspects of the Group are set out<sup>(11)</sup>; (ii) the Holding's Tax Affairs unit to be tasked, among other things, with implementing the Group's tax strategy defined by the Board of Directors,

identifying, analyzing and managing the various optimization initiatives, monitoring the most significant tax issues, and providing support to the various Business Lines; (iii) the Tax Affairs units in the different countries to act, alongside the Holding Company Staff Function, in accordance with the values and principles set out in the tax strategy, being in charge of compliance management and tax planning and monitoring activities at the local level.

## Organization

Enel 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<sup>(12)</sup>. The various corporate policies and procedures applicable both at Group 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 in force – both at global and local level – regarding the processes of tax compliance, tax planning, transfer pricing, tax risk management and tax policy.

The general principle is that the Tax units must be of the appropriate size and equipped with the necessary skills to perform the role of a decision-making analysis center within the governance and business processes, in addition to the role of compliance oversight. For this purpose, specific and ongoing training initiatives on tax issues at both country and global level have been set up, with recurring meetings between all of the Group's Tax Managers in order to ensure appropriate alignment. Still within the context of the policies implemented for the management of Tax personnel, a specific hiring process has been established,

to be followed when joining the Company and available on the Company website, which is based on objective assessments. As regards the management of managers, also within the tax department, succession plans are updated annually aimed at identifying resources ready to cover managerial positions in the short and medium term, supported by a specific development and empowerment path.

More generally, it is worth noting that the reference principles contained in the Group's tax strategy have also been included in the Enel Group's new Global Framework Agreement on fundamental rights and social dialogue (Global Framework Agreement), recently signed with the relevant Trade Union Federations, which confirms the centrality and universality of human, social and labor rights within the Company, in accordance with the Group's Human Rights Policy.

Enel is aware that an effective organizational and control system must be supported by valid **IT tools** that allow the collection, monitoring, management and verification of compliance of high-quality tax information in real time. The implementation of this data and system digitalization process is a continuous improvement process. The Group aims to be at the forefront of the application of the best and most modern digital development trends in tax. To this end, a special interdisciplinary (Tax and IT) team works to identify, develop and implement the best digital practices in the area of taxation, in order to oversee the different tax

(10) During 2023, the Board of Directors meeting was held on November 21, 2023.

(11) In particular, in order to implement the recommendations of the Corporate Governance Code, as well as to optimize its work, the Board of Directors of Enel SpA has established an internal Control and Risk Committee. The Committee receives a constant flow of information regarding, for example: the risk management and control system (including tax risk), the Tax Transparency Report, the Report on the tax risk management and control system in the context of the regimes for cooperative compliance with the tax authorities and the tax strategy.

(12) For example: the Code of Ethics; the Zero Tolerance of Corruption Plan; the Enel Global Compliance Program (EGCP); Human Rights Policy, 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 national collective Labor agreements; any other documentation relating to the current control systems; the relevant accounting standards; procedures and IT applications.

processes with an *ex ante* approach and thus minimize tax risks (i.e., dashboards that provide the whole management with almost real time information on the trend, in the main

countries of operation, of a series of tax variables such as: tax rate, tax litigation, tax compliance, intercompany transactions, correctness of invoicing processes, etc.).

## Tax risks

The Group has a more general risk governance model based on "6 pillars"<sup>(13)</sup> and a uniform taxonomy of risks (so-called "risk catalogue"), which also includes tax compliance in its tax compliance risk section. This risk governance model also defines the Risk Appetite Framework (RAF), which is the framework for determining risk appetite. In this context, minimizing the tax risk is one of the Group's objectives, which is disseminated top-down in all countries, including by sharing the RAF, which is the general approach by which a low risk appetite is established, communicated and monitored.

In the taxation area more specifically, the Group has a Tax Risk Policy and a Tax Control Framework (TCF) whose main objective is to provide unambiguous and consistent guidance to the Tax Units in the management of tax issues.

In this regard, in accordance with the tax strategy, specific guidelines and methodological rules on evaluation have been established so as to assess, monitor and manage the relevant tax risk for the companies consistently, in the knowledge that the Group companies operating in different jurisdictions must adopt the TCF with respect for the specific corporate context and domestic regulations of each country in question.

The task of the TCF is to identify sources of tax risk to ensure (i) effective and prompt management of tax compliance and (ii) that the choices made are not aggressive, but rather prudent, in the presence of interpretative issues of an uncertain nature. Processes and activities have therefore been mapped in order to weave a network of risk detectors 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 TCF is also subjected to audit by the Internal Control System which recognizes its adequacy.

Furthermore, the effectiveness of the TCF and its ongoing updates is ensured through periodic monitoring of the risk map at a centralized level, as well as through the controls performed by the tax authorities under the cooperative compliance regimes, where implemented. The outcome of the monitoring of tax risks is periodically brought to the attention of the competent corporate bodies (Control and Risk Committee<sup>(14)</sup>), with which the most significant positions and the related mitigation actions are shared from time to time.

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(13) Line of defense, Group Risk Committee, Specific risk committee, Risk Appetite Framework, Policy and Reporting.

(14) In particular, in order to implement the recommendations of the Corporate Governance Code, as well as to optimize its work, the Board of Directors of Enel SpA has established an internal Control and Risk Committee. The Committee receives a constant flow of information regarding, for example: the risk management and control system (including tax risk), the Tax Transparency Report, the Report on the tax risk management and control system in the context of the regimes for cooperative compliance with the tax authorities and the tax strategy.

## Tax Risk Policy – Risk management

### DETECTION

Constant detection during processes based on risk maps in relation to sources and areas of risk (e.g., compliance and interpretation of tax regulations).

### MEASUREMENT

Tools to measure risk with defined metrics that estimate its impact with reference to certain materiality thresholds<sup>(15)</sup>, while also considering qualitative aspects (related to corporate reputation and administrative/civil/criminal liability).

### MANAGEMENT

In relation to the degree of exposure to risk, specific control measures must be taken<sup>(16)</sup> to guarantee and duly document the sharing of the tax position following internal decision-making escalation processes, supported, where necessary, by external clearing<sup>(17)</sup>.

Where applicable, the tax control system is subject to external certification, as in the case of Spain. In this regard, the subsidiary Endesa obtained certification by AENOR<sup>(18)</sup> for its Tax Compliance Management System in accordance with the requirements of the UNE 19602 standard. This tax compliance certification represents one of the highest standards by which Spanish companies can demonstrate that they prevent and mitigate tax risks by fully meeting the requirements of UNE 19602<sup>(19)</sup>. In Italy, the Revenue Agency positively verified Enel's integrated tax risk de-

tection, measurement, management and control system before admitting the companies to the cooperative compliance regime.

Following the results of the tax risk control activities, all uncertain tax positions and any disputes, relating to all types of taxes, which exceed the materiality threshold and the probability of a negative outcome envisaged by the IAS/IFRS principles, are represented in detail in the Integrated Annual Report, to which you are referred.

## Participation in cooperative compliance schemes

For companies that meet the legal requirements for participation, the Enel Group promotes participation in cooperative compliance schemes where they exist in the various countries in which it operates. In particular, Enel participates in the Collaborative Fulfillment (*Adempimento Collaborativo*) scheme in Italy<sup>(21)</sup>, for larger companies, in the equivalent Code of Good Tax Practices in Spain (*Código de Buenas Prácticas Tributarias*)<sup>(22)</sup>, France, and Portugal, and is collaborating with the federal tax authority in Brazil in a pilot project for the creation of a local Cooperative Tax Compliance model (*Projeto CONFIA – Conformidade Cooperativa Fiscal*)<sup>(23)</sup>.

COOPERATIVE COMPLIANCE INDEX<sup>(20)</sup>: **95%**

In addition to the aforementioned countries, monitoring of the existence and potential membership of further cooperative compliance regimes in the countries of operation is ongoing.

Specifically in order to monitor the progress of this activity, an index (the Cooperative Compliance Index – CCI) was developed to measure the participation of Enel Group companies in cooperative compliance regimes in various countries based on their size and membership requirements<sup>(24)</sup>.

(15) For risks related to interpretation, the relevant Tax unit has to consider the relevance, certainty, reviewability and relative materiality of interpretative choices.

(16) With regard to compliance risk, the controls designed must achieve the goal of being considered generally capable of mitigating the relevant risks, so that the residual risk is within the tolerance area. If any further tax risks need to be mitigated, the Tax unit must: (i) activate adequate control mechanisms; (ii) help to update the tax risk map in order to avoid any repetition of the cases detected.

(17) External clearing generally refers to forms of advice requested from external professional firms for opinions on the validity of the interpretative solution ("more likely than not"), rulings and/or discussions in the context of cooperative compliance regimes, according to the local rules.

(18) AENOR (Asociación Española de Normalización y Certificación) is a leading body in the certification of management systems, products and services and is responsible for the development and dissemination of UNE standards.

(19) UNE standard 19602, published in February 2019, sets out requirements and guidelines for companies to voluntarily adopt a system that reinforces tax compliance best practices. The standard requires companies to identify and assess potential tax risks and to minimize them by establishing financial controls and due diligence processes for the organization's exposed personnel and suppliers, as well as a channel for complaints and consultations.

(20) The CCI for 2023 is slightly down on the figure for 2022 (95.7%), due to the significant reduction in the Group's revenues, mainly in Spain and Italy (countries where numerous companies have joined the cooperative compliance regime), which is greater than in other countries. Despite the slight decrease in the index, several additional companies have joined the cooperative compliance regimes in Italy and Portugal.

(21) <https://www.agenziaentrate.gov.it/portale/web/guest/schede/agevolazioni/regime-di-adempimento-collaborativo/elenco-societa-ammesse-al-regime>.

(22) <https://sede.agenciatributaria.gob.es/Sede/colaborar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas/codigo-buenas-practicas-tributarias/adhesiones-codigo-buenas-practicas-tributarias.html>.

(23) <https://www.gov.br/receitafederal/pt-br/acao-a-informacao/acoes-e-programas/confia>.

(24) The index compares the revenues of companies that have joined the existing cooperative compliance schemes to those of all Enel companies legally eligible to join. The index does not consider countries in which the schemes have not been legally established, or companies that do not meet qualifications to join (e.g., because their size is below statutory thresholds), even though the schemes exist in their countries. Nevertheless, the Group's overall coverage for the year was more than 70% in terms of cooperative compliance companies' revenues compared to the Group's revenues.

## Mechanism for stakeholder reports

For the Enel Group, tax compliance is considered a key aspect of the Company's ethical and accountable management. As such, breaches that can be reported through the Company's internal channels also include those relating to tax. The Group's Code of Ethics is the framework of "ethical management" which Enel operates, tying in fully with the tax strategy. Provisions for violations of the Code of Ethics are appropriate to ensure the effectiveness of

the requirements contained therein and should be understood to extend to the provisions of the tax strategy.

Additionally, all stakeholders can send in their remarks, questions and opinions on tax issues using the contact information channels provided by Enel and available on the website: (<https://www.enel.com/media/explore> and <https://www.enel.com/investors/overview>).

## Transparent relations with stakeholders

The constant commitment of the Enel Group to transparency with respect to the tax authorities and all stakeholders concretely underlines the importance it attributes to the tax variable and its role in the sustainable development of the Company. Therefore, the Group is committed to providing a transparent explanation of the tax issues that can be of interest to third parties, also on its website, making the latter an information hub that is easily accessible and understandable to all.

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 cooperative 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", divided into Master File, Local File and Country-by-Country Report. Moreover, to avoid double taxation, the Group promotes amicable procedures for the settlement of international disputes (Mutual Agreement Procedure – MAP) or bilateral agreements (Bilateral Advance Pricing Agreements – BAPA), which include the direct involvement of tax authorities from the contracting countries.

Furthermore, its commitment to transparency is also reflected with regard to customs. In this regard, some of the

most active companies in dealing with customs authorities (Enel Global Trading SpA and Enel Produzione SpA) obtained the status of Authorized Economic Operator (AEO) respectively in 2016 and 2015. Those qualified as an AEO are deemed to be trustworthy entities due to them having demonstrated an adequate level of compliance of their processes. Said qualification requires compliance with certain criteria, including "customs and tax compliance", to be demonstrated and maintained through an appropriate level of control and training.

Finally, in 2023, Enel was included for the first time in the VBDO Tax Transparency Benchmark, an index that measures good tax governance practices for 116 listed companies<sup>(25)</sup>, scoring 35 out of 40 points, ranking second among European companies committed to tax transparency and first among Italian ones.

Even in the specific area of electric utilities, Enel was rated among the best companies in terms of sustainability reporting on fiscal matters<sup>(26)</sup>.

This commitment to transparency also extends to the Group's other listed companies. For example, Endesa has once again topped the best practice ranking for transparency and tax responsibility according to the Contribution and Transparency Report 2022 published by the Haz Foundation, while Enel Américas and Enel Chile were the two Chilean companies with the highest degree of compliance in the Chilean Corporate Fiscal Sustainability Report for 2021<sup>(27)</sup>.

(25) The VBDO Association represents the interests of around 80 institutional investors and 500 private investors who want to contribute to the sustainable development of the capital market. The Tax Transparency Benchmark 2023 report, now in its ninth edition, looked at companies headquartered in Belgium, Denmark, France, Germany, Italy, Spain, and Sweden that operate in the financial, energy, pharmaceutical, technology, and consumer goods sectors ([https://www.vbdo.nl/wp-content/uploads/2023/11/Transparency-Benchmark-rapport-2023\\_def.pdf](https://www.vbdo.nl/wp-content/uploads/2023/11/Transparency-Benchmark-rapport-2023_def.pdf)).

(26) Cfr. Prof. Manuel Castelo Branco, Prof. Delfina Gomes, Prof. Adelaide Martins, Exploring Tax-related Sustainability Reporting by Electric Utilities, in "Utilities Policy", of May 3, 2023.

(27) Based on the fiscal sustainability analysis published in 2023 by Prof. Antonio Faúndez-Ugalde of Pontificia Universidad Católica de Valparaíso.

## Tax advocacy

Enel consistently acts with a transparent and collaborative approach with all national and international institutions and trade associations to support the development of effective tax systems in the various countries where it operates. In this regard, please refer to the “Transparency in institutional processes” paragraph.

In particular, Enel supports fair, effective and stable tax systems in order to reduce uncertainty for both governments and companies. Enel believes that a transparent and coordinated approach between countries is essential to improve the international tax system and it promotes a consensual approach to regulatory choices. To this end, it contributes by supporting governments and international organizations through active participation in public consultation phases on new regulatory processes, where they exist, either directly or through participation in various national and international associations. Regularly sharing knowledge and best practices through participation in national and international associations is essential in order to contribute to the development of new regulatory procedures by providing qualified technical support on complex business matters.

In this respect, the most representative organizations in the various countries in which Enel has been involved for years to support the evolving tax legislation are: Assonime<sup>(28)</sup>, EuropeanIssuers<sup>(29)</sup>, Confindustria<sup>(30)</sup>, Foro de Grandes Empresas<sup>(31)</sup>, SOFOFA<sup>(32)</sup>, ICDT<sup>(33)</sup>, ANDI<sup>(34)</sup>, GE-

TAP<sup>(35)</sup>, CONFIA<sup>(36)</sup>, Acolgen<sup>(37)</sup> and Andesco<sup>(38)</sup>.

With regard to tax responsibility and transparency, since 2023, Enel has participated in a CSR Europe project<sup>(39)</sup> for a collaborative platform aimed at developing an index to assess the performance of companies in all sectors in terms of tax transparency and responsible fiscal behavior.

In 2019, furthermore, Enel joined the **European Business Tax Forum** (EBTF), an association that aims to facilitate 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 and data are provided to the various stakeholders concerned. On its website (<https://ebtforum.org>), the Forum continuously publishes various studies on tax transparency: Total Tax Contribution<sup>(40)</sup>, Best Practices for Good Tax Governance<sup>(41)</sup> and Tax Transparency and Country by Country Reporting. In 2021, Enel signed up to the **B Team Responsible Tax Principles**, namely, the principles developed by B Team<sup>(42)</sup> to promote responsible and sustainable tax practices for a better future. B Team is an organization created by a group of multinationals, with the contribution of civil society, investors and representatives of international institutions, in order to promote responsible and sustainable tax practices. Through its active and public participation in all these associations, Enel believes it can make its own technical contribution by sharing its experience in support of fair, effective and sustainable taxation.

## Reporting

Acting with honesty and integrity is one of the main cornerstones of Enel tax strategy, as is its commitment to transparency.

The publication of **Country-by-Country Reporting (CbCR)** supplemented with **details of the overall tax contribution in the main economies in which the Group operates** (hereafter also “Tax Transparency Report”), underlines the importance that the Group attaches to tax related issues,

to their social role and, in general, to transparency as a factor that facilitates sustainable development.

The approach followed also aims to eliminate potential ambiguities that may derive from complex accounting and tax treatments, while supporting and, at the same time, improving other annual financial information and continuing along a pathway targeted at supplying an increasingly in-depth and clear vision of Enel’s tax position.

(28) <https://www.assonime.it/EN/Pages/Home.aspx>.

(29) <https://www.europeanissuers.eu/>.

(30) <https://www.confindustria.it/en>.

(31) <https://sede.agenciatributaria.gob.es/Sede/colaborar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas.html>.

(32) Sociedad de Fomento Fabril, a trade union federation representing all industry and commerce in Chile: <https://www.sofofa.cl/>.

(33) Colombian Institute of Tax and Customs Law: <https://icdt.co/>.

(34) National Association of Industrialists in Colombia: [www.andi.com.co/](http://www.andi.com.co/).

(35) Grupo de Estudos Tributários Aplicados (GETAP) in Brazil: <https://www.getap.org.br/>.

(36) Conformidade Cooperativa Fiscal (<https://www.gov.br/receitaefederal/pt-br/acao-a-informacao/acoes-e-programas/confia>) and with the main associations for the electricity sector in Brazil.

(37) Asociación Colombiana de Generadores de Energía Eléctrica: <https://acolgen.org.co/>.

(38) Asociación Nacional de Empresas de Servicios Públicos y Comunicaciones: <https://andesco.org.co/>.

(39) <https://www.csreurope.org/newsbundle-articles/csr-europe-launches-new-collaborative-platform-on-tax-responsibility-and-transparency>.

(40) Several studies have been published relating to the EU/EFTA Total Tax Contribution, which report the yearly aggregate data for the various types of taxes paid by the largest European multinational companies by turnover and/or by stock market capitalization.

(41) The paper was drafted by a group of tax directors from three organizations (Tax Executives Council of the Conference Board, B Team and European Business Tax Forum) to provide guidance on the best practices that multinationals can adopt in order to develop transparency and assurance vis-a-vis their stakeholders.

(42) <https://bteam.org/>.

As of 2019 (FY2018–2017), Enel has adopted a Total Tax Contribution model for the main countries where it operates, providing evidence of taxes paid and of withholding tax deductions.

As of 2021 (FY2020), on the other hand, Enel has adopted an integrated model: the Tax Transparency Report, which is prepared in accordance with the rules set out for OECD Country-by-Country Reporting<sup>(43)</sup> and includes informa-

tion and data for Total Tax Contributions in the main countries where it operates.

The integrated model of the Tax Transparency Report is available on Enel website (<https://www.enel.com>). The Group believes that this model ensures a broad vision and a detailed measurement of the organization's contributions to economic and social development in the regions/countries in which it operates.

## Tax Transparency Report – principles

The Tax Transparency Report adopts the **cash basis accounting 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<sup>(44)</sup> by all the entities in the scope of each tax jurisdiction in the year subject to reporting, regardless of the tax year to which the taxes refer.

As anticipated previously, on applying an approach adopted by the OECD<sup>(45)</sup>, the Tax Transparency Report classifies the different taxes into categories and distinguishes them between those that constitute an expense for the Company (**taxes borne**) and those that the Company pays due to rebate mechanisms, substitution, etc. (**taxes collected**) but that, at any rate, are the result of the Company's own economic activities. Specifically, taxes, both borne and collected, are classified into the following five macro-categories.

**Profit – Income taxes:** this category includes taxes on company income that can be both borne (e.g., tax on the income of companies at state or local level, taxes on production, solidarity contributions, tax levied on income deriving from specific activities such as the extraction of natural resources, the generation and sale of hydroelectric energy as well as taxes withheld at source) and collected, in the case where they are applied to a third party or to a physical person (e.g., withholding taxes on interest income, royalties, subcontractors and suppliers). Income taxes do not include taxes on dividends paid by Enel Group entities.

**People – Taxes on labor:** this category generally includes

taxes on labor, comprising those on incomes and social welfare contributions. Taxes applied to the employer are considered taxes borne (e.g., social welfare contributions, health insurance, pensions, disability contributions), while income taxes applied to workers are considered as taxes collected (e.g., taxes on incomes of physical persons or social welfare contributions debited to workers that are normally withheld by the employer).

**Products – Taxes on products and services:** indirect taxes applied on production, sale or use of goods and services, trade and international transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, regardless of the fact that they are paid to the supplier of the goods and services rather than directly to the government. This category includes both Taxes Borne (e.g., taxes on consumption, turnover taxes, excise duties<sup>(46)</sup>, customs duties, import duties, taxes on insurance contracts, non-deductible VAT) as well as Taxes Collected (e.g., VAT paid, excise duties<sup>(47)</sup>, taxes on goods and services).

**Property – Property taxes:** taxes on property, the use or transfer of property, plant and equipment or intangible assets. This category includes both taxes borne (e.g., taxes on property and the use of real estate, capital tax applied on the increase of risk capital, taxes on the transfer, purchase or sale of assets, net equity and capital transactions, stamp duty, stamp duty for the transfer of real estate, stamp duty for the transfer of shares, taxes on financial transactions that imply loans or borrowings from a foreign source), and taxes collected (e.g., taxes on leases collected by the lessor and paid to the government).

(43) As of 2018, the Enel Group has presented Country-by-Country Reports – CbCRs (for the years 2016–2022) through the Italian Revenue Agency, which has in turn supplied them to the other States with which an agreement is in force for the exchange of information, in compliance with the indications of Action 13 of the BEPS project, as amended. Action 13 is a project in which the OECD and the countries of the G20 have participated in order to reply in a coordinated and shared manner to the strategies of aggressive tax planning put in place by MNEs with a view to “artificially shifting” profits in jurisdictions characterized as tax havens.

(44) The data for taxes paid includes payments on account, taxes for previous years, including after assessments, net of repayments and redemptions obtained. Interest and penalties are not considered.

(45) Working Paper no. 32, “Legal tax liability remittance responsibility and tax incidence”.

(46) With the exception of those recorded under environmental taxes (e.g., duties on gas and electric energy).

(47) With the exception of those recorded under environmental taxes (e.g., duties on gas and electric energy).

**Planet – Environmental taxes**<sup>(48)</sup>: these include taxes and duties on energy products (including fuel for vehicles), on motor vehicles and transport services, and on the supply, use or consumption of goods and services considered harmful to the environment, as well as the management of waste, noise, water, land, soil, forests, biodiversity, wild animals and fish stocks to be paid by the entity. Examples of taxes borne are: taxes on the value of the generation of electricity, taxes on the production of nuclear fuels and carbon tax. Examples of taxes collected are: taxes on electricity, taxes on hydrocarbons and duties on gas and electricity.

Furthermore, the financial-equity data represented follow the **accounting requirements** below.

**Data source**: the data represented in the report are expressed on the basis of IFRS-EU accounting principles adopted by the Group and are at stand-alone entity level. Subsequently, these data are aggregated by tax jurisdiction. To take account of intercompany relations, the data are represented according to logic of aggregation by tax jurisdiction (that is, the country in which the entities are resident for tax purposes and where they enjoy fiscal autonomy) and not according to 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)<sup>(49)</sup>. With reference to the list of companies in the Group and their activities, please refer to the specific prospectus in the Integrated Annual Report 2023<sup>(50)</sup>.

**Currency**: the report considers the euro as the currency of reference in that it is the one used by the Parent Company. Since IFRS-EU accounting data are extracted in local currencies, economic data (such as revenues, Earnings Before Taxes, taxes accrued and taxes paid) have been converted

into the euro at the average exchange rate of the currency, while balance sheet data (property, plant and equipment) have been converted into the euro at the exchange rate in force at year’s end.

**Third party revenues**: the sum of Third party revenues accounted for by the entities within the scope in the pertinent tax jurisdiction in the reporting year. The term “revenues” is understood in the broadest possible<sup>(51)</sup> sense to include all revenues, comprising 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 reporting year, including income from extraordinary operations and excluding dividends<sup>(52)</sup>.

**In-Country intercompany revenues**: the sum of revenues from transactions carried out between entities within the scope resident in the same jurisdiction in the tax reporting year, including income from extraordinary operations and excluding dividends<sup>(53)</sup>.

**Profit (Loss) before income taxes**: the sum of Profits (Losses) before income taxes generated in the year of reference and involving all entities within the scope in each tax jurisdiction. The Profits (Losses) before income taxes must include all items involving revenues and extraordinary costs<sup>(54)</sup>.

**Income taxes accrued for companies (current taxes)**: the sum of Current Taxes (*i.e.*, for the year in progress) on Taxable Income in the reporting year of all entities within the scope in each tax jurisdiction, regardless of whether or not 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. Income taxes do not include taxes on dividends paid by Enel Group entities.

**Deferred taxes**: the sum of deferred taxes on the tax-

(48) The classification of taxes as environmental is based on the shared definition within the harmonized statistic framework developed jointly, in 1997, by Eurostat, the European Commission, the Organisation for Economic Co-operation and Development (OECD), and the International Energy Agency (IEA), according to which environmental taxes “are taxes whose tax base is a physical quantity (or the proxy of a physical quantity) of an element that has a proven and specific negative impact on the environment.” ([https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Environmental\\_tax](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Environmental_tax)). All taxes on energy, transport, pollution and resources are included, whereas all taxes on added value are excluded. For further details, see: Eurostat, “Environmental taxes – a statistical guideline”, par. 2.3 e 2.6 (<https://ec.europa.eu/eurostat/documents/3859598/5936129/KS-GQ-13-005-EN.PDF>); and OECD, Special feature: Identifying environmentally-related tax revenues in Revenue Statistics (<https://www.oecd-ilibrary.org/sites/52465399-en/index.html?itemId=/content/component/52465399-en#>).

(49) 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, stateless companies in 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).

(50) 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. With reference to the list of shareholdings, it is confirmed that the country of the registered office shown also corresponds to the tax residence.

(51) 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.

(52) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the paying subject.

(53) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the paying subject.

(54) Consistent with the reporting criteria applied to revenues, profits (losses) before income taxes are indicated net of dividends paid by the companies within the scope (as also indicated by the OECD in the report “Guidance on the Implementation of Country-by-Country Reporting” published in 2019 point II.7).



able income in the reference year for all entities within the scope in each tax jurisdiction. Deferred taxes are taxes paid in advance or which will be paid in the future and generated by temporary differences, which bring forward or postpone taxation.

**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<sup>(55)</sup>.

**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.

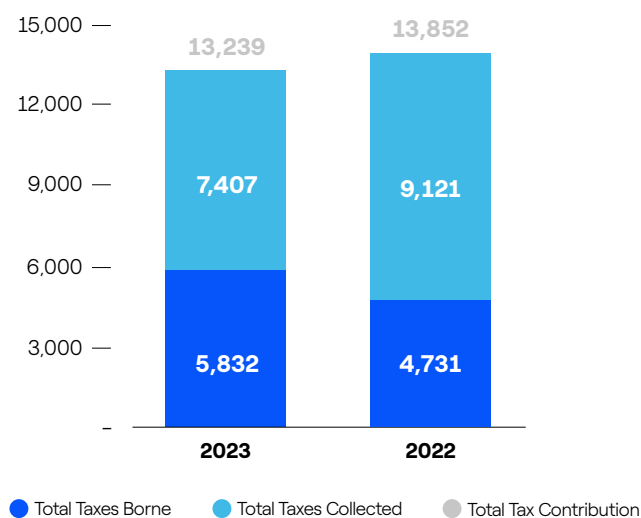
eration, please see the Sustainability Report as well as the Tax Transparency Report.

**Stated capital:** the sum of the share capital and capital reserves of all entities within the scope in each tax jurisdiction.

**Accumulated earnings<sup>(56)</sup>:** this item represents the amount of net profit realized by the entities within the scope in each tax jurisdiction over the past years, net of dividends paid and any other reduction due to losses, capital increases, etc.

## Tax Transparency Report – general analysis

### TOTAL TAX CONTRIBUTION (MIL EUROS)



In 2023, the **Total Tax Contribution<sup>(57)</sup> (TTC)**, with respect to all the countries in which the Group operates, was **13,239** million euros, down by a total of **613<sup>(58)</sup>** million euros (**-4.4%**) compared to 2022<sup>(59)</sup>.

This trend is the result both of the **increase in Taxes Borne**

and the reduction in **Taxes Collected**, which reflects the **economic conditions of the reference market** where lower volumes of energy were sold at decreasing average prices.

In this context, there was a significant overall contraction in indirect taxes related to revenues while there was (i) significant growth in taxes related to profits and (ii) a more moderate increase in labor and property taxes. More specifically, an **analysis of the Total Tax Contribution data** broken down into the five tax categories shows:

- a significant **reduction in taxes on products and services**, mainly due to the aforementioned fall in revenues, partially offset by the payment of an extraordinary solidarity contribution<sup>(60)</sup> in Spain;
- an **increase in taxes on profits** due to (i) income generated by extraordinary operations in Chile, (ii) the effects arising from the income tax payment on account and balance payment mechanisms<sup>(61)</sup> and (iii) the payment in Italy of the solidarity contribution<sup>(62)</sup> and the extraordinary contribution to mitigate the high cost of utility bills<sup>(63)</sup>;
- an **overall reduction in environmental taxes**, for the same reasons that affected the value of taxes on products and services;
- an **overall trend in property taxes and labor taxes**, consist-

(55) Tangible fixed assets do not include cash and cash equivalents, intangible assets or financial assets.

(56) The introduction in the Sustainability Report of the disclosure on "Accumulated earnings" supplements the disclosure required by Directive 2013/34 (amended by Directive (EU) 2021/2101) on the publication of income tax information (the so-called public CbCR). The information thus supplemented brings forward the disclosure of such contents with respect to the terms established by article 48 octies of the aforementioned Directive.

(57) The Total Tax Contribution has been calculated considering the main countries in which the Group is present. These represent around 98% of revenues and more than 99% of income taxes paid. However, for all other countries, corporate income taxes are shown in detail in the following tables. The scope of the countries included in the calculation of the total 2023 tax contribution was slightly reduced compared to the previous year due to the exclusion of Romania and Greece as a result of the sales that occurred during the year, which produced a restatement of the 2022 data. The following countries are included in the TTC: Italy, Spain, Brazil, Colombia, Chile, Portugal, Peru, France, United States, Canada, Germany, Argentina, Panama, the Netherlands, Mexico, Guatemala, India, South Africa and Costa Rica.

(58) The sum or the difference between some values may not correspond to the total due to rounding.

(59) It should be noted that refinements and changes to the scope of consideration have been introduced for the purpose of preparing this section of the document. The 2022 figures presented in this document may not coincide with that represented in the Enel Group's "Sustainability Report 2022".

(60) This is the contribution introduced in Spain by Law no. 38 of December 27, 2022.

(61) In the majority of countries where Enel operates, Income Taxes are paid for the reporting year based on the historical values of the previous year (so-called historical method). Therefore, the financial effects of the overall value of Income Taxes for the reporting year are not fully known until the following year. In some situations, however, as shown in the analysis below, income taxes on account are paid for the reporting year based on the projected results for that year (so-called forecast method). In such circumstances, the financial effects of income taxes are already reflected in the reference year, albeit not in their entirety.

(62) Solidarity contribution required by Law no. 197 of December 29, 2022.

(63) Solidarity contribution borne by energy companies under Law no. 51 of May 20, 2022.

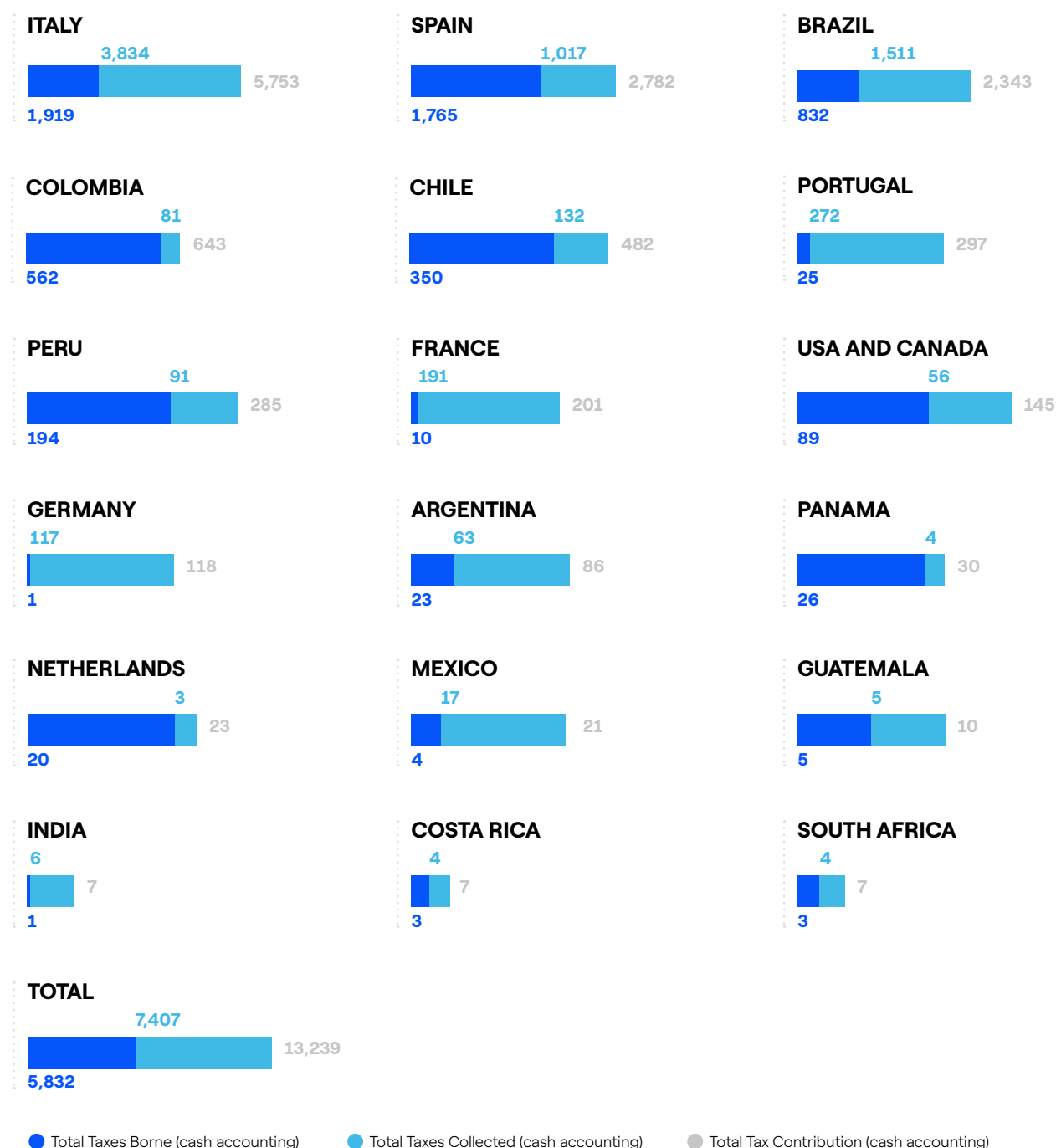
tent with investment, employment and staff remuneration levels.

In general, the **value of taxes paid** highlights once again the importance of the **Group's tax contribution** to the **communities** and the economic and social systems of the countries in which it operates, something which has become even more relevant as we face the challenges of the post-pandemic period and the uncertainties caused by the geopolitical situations in Ukraine and the Middle East.

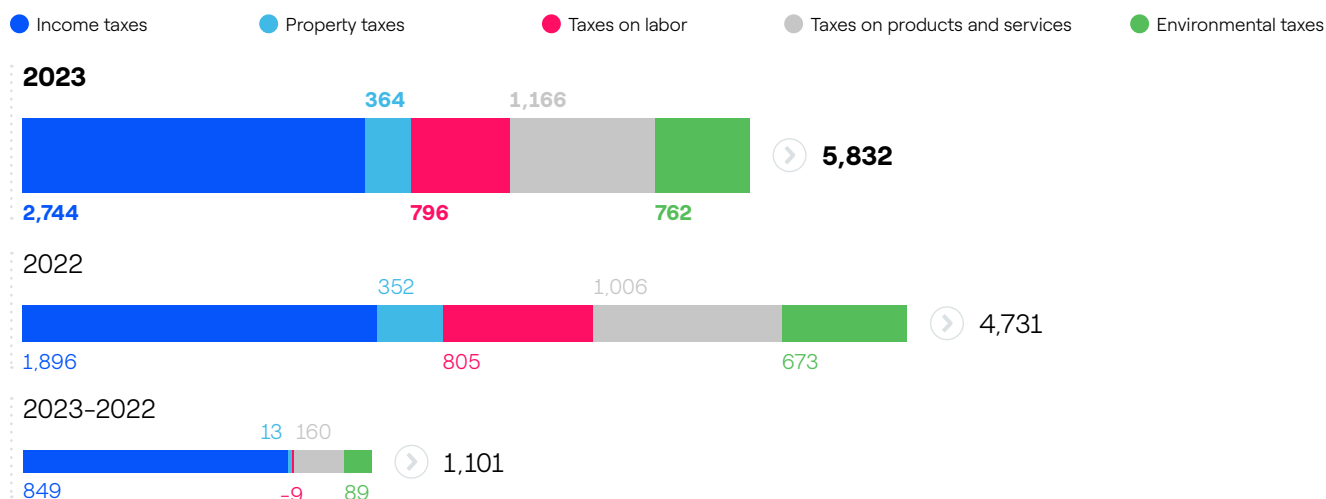
## TOTAL TAX CONTRIBUTION BY COUNTRY (MIL EUROS)

An analysis of the tax contribution from a **geographical perspective** confirms that the **distribution** of taxes paid is **consistent** with that of the **revenues generated** and the

number of **staff employed**: **Italy, Spain and Brazil** together account for around **82%** of the **tax contribution**, **78%** of **revenues** and **80%** of **employees**.



## TAXES BORNE (MIL EUROS)



In 2023, the **Total Taxes Borne**<sup>(64)</sup> amounted to **5,831.9 million euros**<sup>(65)</sup>, an overall increase of **1,100.7 million euros (+23.3%)** compared to 2022.

This increase affected **most categories of taxes borne** and especially **taxes on profits, taxes on products and services, and environmental taxes**. There were smaller changes in property taxes (slightly up) and labor taxes (slightly down). The amount of **income taxes** paid **increased** overall by **848.8 million euros**. The **largest increases** were recorded in:

- i. Chile (+246.2 million euros), due to higher income from the proceeds of the sale of Enel Transmisión Chile, a company that operated in the electricity transmission business in Chile;
- ii. Spain (+224.5 million euros), as a result of (i) higher balances and advances paid in relation to the better final results between 2022 and 2021 and the better results expected for 2023 compared to 2022, respectively<sup>(66)</sup>; (ii) new limitations introduced for 2023 on the use of tax losses of companies participating in Endesa's tax consolidation; and (iii) lower tax-deductible depreciation and amortization in relation to coal-fired production plants;
- iii. Italy (+146.2 million euros), due to (i) the payment of the 2023 solidarity contribution on profits of companies operating in the energy sector, as required by Law no. 197/2022, and the remaining portion of the extraordinary contribution for high bills in 2022, as required by Law no. 51/2022 (+612.9 million euros in total), (ii) higher

withholdings on payments incurred abroad (+35.9 million euros) and (iii) lower IRES advances paid compared to 2022<sup>(67)</sup> (-509.8 million euros);

- iv. Colombia (+129.7 million euros), due to an increase in taxable income and the tax rate between 2021 and 2022, the taxes for which were paid in 2023;
- v. Peru (+54.6 million euros), mainly due to the effect of greater advance payments resulting from an increase in income expected for 2023 compared to 2022;
- vi. Brazil (+50.8 million euros), which was affected in 2022 by the change in the tax settlement mechanism<sup>(68)</sup>, resulting in smaller payments. The amount of income taxes paid also reflects the increased taxable income.

For the sake of completeness, it should be pointed out the lower income taxes paid in (i) Argentina (-14.7 million euros), where the 2022 payments also included advances relating to companies subsequently sold (Enel Generación Costanera and Central Dock Sud), and (ii) Panama (-5.6 million euros), due to a reduction in taxable income between 2021 and 2022, the taxes for which were paid in 2023.

The payment of **taxes on products and services increased by 160.1 million euros**, as a result of:

- higher payments in (i) Spain (+161.9 million euros), following the introduction of the "Gravamen temporaneo energético", an extraordinary solidarity contribution related to sales made by companies operating in the energy sector, and (ii) Colombia (+20.8 million euros),

(64) Taxes Borne are taxes that constitute a cost to the company.

(65) For the countries covered by the TTC analysis, Taxes Borne include, among income taxes, specific taxes on corporate income (Corporate Income Tax) of 2,684.4 million euros in 2023 and 1,837.3 million euros in 2022.

(66) In this specific case, the advance payments (calculated using the forecasting method) paid in 2023 increased due to higher expected income in 2023 than in 2022, while the balances paid in the same year increased due to higher taxable income between 2021 and 2022.

(67) In this specific case, the entities forming part of the national tax consolidation of Enel SpA in 2022 had paid significant advances (calculated on the basis of the forecast method) due to a greater income expected between 2022 and 2021, while in 2023 they paid reduced advances (calculated based on the historical method).

(68) Some Brazilian entities changed the frequency of income tax settlement from annual to quarterly during 2022. This change resulted in taxes relating to the last quarter of 2022 being paid in January 2023.

mainly attributable to the non-deductible VAT on major purchases made;

- lower payments in (i) Chile (-11.8 million euros), where stamp duty had been paid on financial transactions in 2022, and (ii) Brazil (-11.6 million euros), where, following the sales of some companies, the payments of the ICMS (“Imposto sobre Circulação de Mercadorias e Serviços”) and the social taxes PIS (“Programa de Integração Social”) and COFINS (“Contribuição para Financiamento de Seguridade Social”) were reduced.

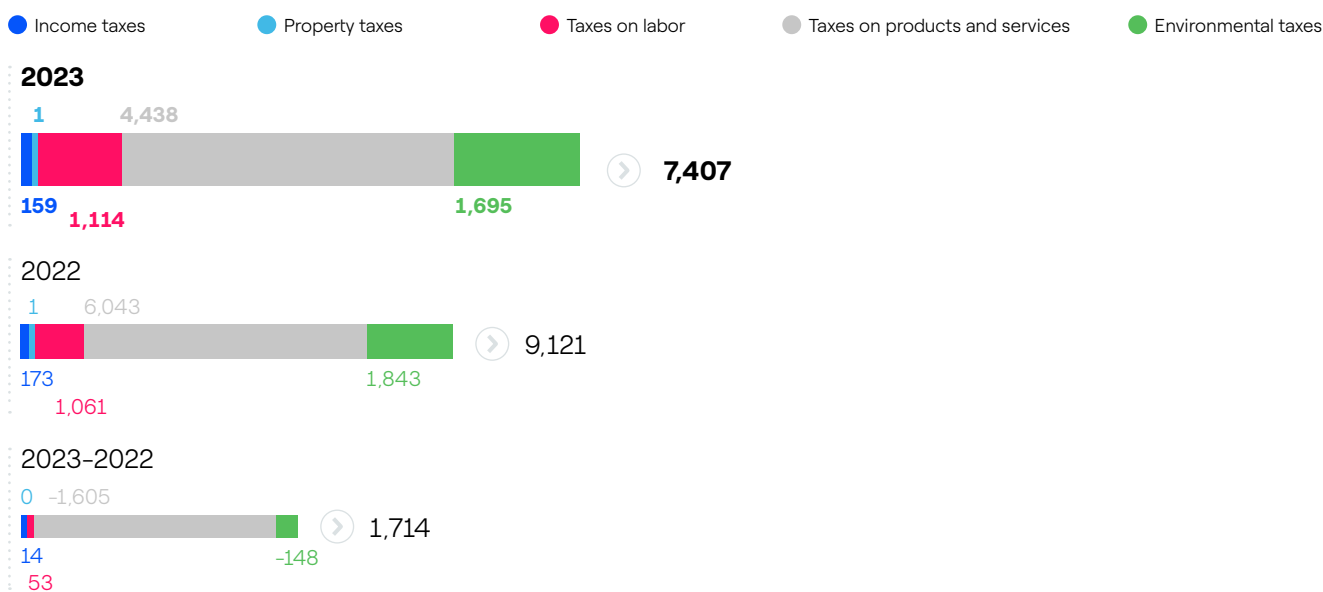
The payment of **environmental taxes increased** overall by **88.5 million euros**. The most significant changes were recorded in:

- i. Italy (+63.3 million euros), due to excise duty payments on coal relating to 2022, the year in which the outbreak of the geopolitical crisis in Ukraine led to poor gas availability with a resulting greater use of coal-fired generation;
- ii. Spain (+35.5 million euros) and Chile (-15.3 million),

where in 2023 (for Spain) and 2022 (for Chile), taxes relating to previous years were paid following a redetermination of the same. The lower taxes paid in Chile in 2023 are also a consequence of the reduction in the energy generated from thermoelectric sources.

The payment of **property taxes** increased overall by **12.8 million euros**. The most significant increases were recorded (i) in Italy (+10.9 million euros), due to the tariffs of the single property fee being updated in line with inflation, and (ii) in the United States of America (+9.6 million euros) due to the new renewable energy plants in the states of Texas and Oklahoma coming into operation. Partially offsetting these were the reductions in property taxes (i) in Brazil (-5.3 million euros), where one-off property taxes were paid in 2022 in relation to financial operations (settlement of foreign financial debts and capital injection), and (ii) in Spain (-2.1 million euros), due to the reduction in the tax on the occupation of public land.

## TAXES COLLECTED (MIL EUROS)



**Total Taxes Collected** amounted to **7,407.5 million euros**, up **1,713.9 million euros (-18.8%)** compared to 2022.

The reduction in tax collected is essentially due to the **lower taxes on products and services**, totaling **1,605.2 million euros**, and the lower **environmental taxes** for **148.3 million euros**, both influenced by the significant contraction in revenues due to (i) the lower quantities of energy produced and sold, (ii) decreasing average sales prices and (iii) some companies exiting the Group’s scope<sup>(69)</sup>.

More specifically, the decrease in taxes on products and services was concentrated (i) in Spain (-679.3 million eu-

ros), where payments decreased mainly due to the reduction in the VAT rate on natural gas starting from the month of October 2022, (ii) in Brazil (-655.3 million euros), where ICMS payments decreased due to lower revenues (following the exit from the Group scope of some entities sold in 2022) and the reduction of the rate applied starting from the second half of 2022, (iii) in Italy (-269.3 million euros), mainly due to the lower VAT advance payment for 2023, determined on the basis of the historical method based on the December 2022 payment, and iv) in Argentina (-83.8 million euros), where VAT payments and municipal taxes

(69) Including Enel Goiás and CGT Fortaleza in Brazil and Enel Generación Costanera and Central Dock Sud in Argentina, sold in 2022.

reduced mainly due to the exit from the Group scope of some entities sold in 2022.

The reduction in environmental taxes instead mainly affected Italy (-145.9 million euros), where payments of the excise duty on electricity, gas and the related regional surcharge decreased following the reduction in the quantities of energy and gas sold between 2021 and 2022.

However, the following were recorded:

- i. higher taxes on products and services in France (+43.1 million euros) and Portugal (+19.2 million euros) and higher environmental taxes in Germany (+16.8 million

euros), countries in which, compared to 2022, local markets have shown a growth trend in sales that are subject to these types of indirect taxes; and

- ii. higher taxes on products and services in Chile (+52.2 million euros), where in 2022 VAT refunds were received for previous overpayments and fewer VAT payments were made due to increased purchases.

Finally, there were less significant changes affecting labor taxes (+53.1 million euros)<sup>(70)</sup> and taxes on profits (-13.6 million euros)<sup>(71)</sup>.

A representative global and concise index of the **Group's tax contribution** from a cash perspective is:

**TOTAL TAX RATE**

**55.8%**



The **Total Tax Contribution (TTC Rate) index** provides a concise and complete measurement of the burden for all taxes that the business has effectively paid and is calculated as a percentage of Taxes Borne in relation to Earnings Before such Taxes. The TT rate for 2023 (55.8%) is substantially in line with the average for the previous 5 years (53.7%) due to an increase in taxes borne essentially proportional to the increase in profit before taxes borne.

Another concise indicator of the tax contribution for business income is represented by:

**CURRENT INCOME TAX RATE**

**37.9%**



At Group level, in 2023 the **Current Income Tax Rate**, determined as the ratio of accrued corporate income taxes (2.8 billion euros) to earnings before income taxes (7.3 billion euros), was 37.9%, higher than the average rate of the OECD Member States (23.7%)<sup>(72)</sup>.

In line with OECD best practice<sup>(73)</sup>, the following tables show the figure for corporate income taxes paid on a cash basis and the figure for current taxes booked 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 defin-

itive payment of the balance is made in the year following that in which they accrued. The trends of the two values are substantially destined to realign over time.

In 2023, the current income taxes on a Group level were equal to 2,767.7 million euros, whereas the income taxes paid were equal to 2,707.3 million euros.

(70) The trend labor taxes is generally consistent with the dynamics of wages and employment levels, with taxes increasing mainly due to the combined effect of (i) higher payments in Italy (+45.0 million euros) and Spain (+17.9 million euros), countries in which, despite the slight reduction in employment levels at the end of the year, wages increased due to contractual adjustments, and (ii) lower payments in Argentina (-12.3 million euros) and in the United States (-4.6 million euros) due to the reduction in staff employed.

(71) Taxes on profits fell due to lower taxes paid (i) in Italy (-24.5 million euros), where withholding taxes were paid in 2022 on transactions with foreign entities not part of the Group, and (ii) in Argentina (-7.6 million euros), attributable to the lower withholdings applied on payments to suppliers due to the sale of Enel Generación Costanera and Central Dock Sud. Partially offsetting this were the higher taxes paid in Chile (+16.8 million euros) due to the application of withholding taxes on the distribution of profits to foreign entities not part of the Group.

(72) Source OECD Stat, "Table II.1. Statutory corporate income tax rate - Combined corporate income tax rate."

(73) 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 for 2023.

### Europe – Main countries

	UM	France	Germany	Italy
<b>Taxes Borne</b>	<b>mil euros</b>	<b>10.1</b>	<b>0.8</b>	<b>1,918.8</b>
Profit taxes	mil euros	8.2	0.5	1,077.0
<i>Corporate Income Tax Paid</i>	mil euros	7.9	0.5	1,074.9
Property taxes	mil euros	0.0 <sup>(1)</sup>	-	163.1
Taxes on labor	mil euros	1.9	0.3	539.9
Taxes on products and services	mil euros	0.0	-	2.2
Environmental taxes	mil euros	0.0	-	136.7
<b>Taxes Collected</b>	<b>mil euros</b>	<b>190.9</b>	<b>116.9</b>	<b>3,834.4</b>
Profit taxes	mil euros	-	-	2.6
Property taxes	mil euros	-	-	-
Taxes on labor	mil euros	1.2	0.9	688.1
Taxes on products and services	mil euros	140.9	73.8	1,665.6
Environmental taxes	mil euros	48.8	42.3	1,478.1
<b>Total Tax Contribution – TTC (cash basis accounting)</b>	<b>mil euros</b>	<b>201.0</b>	<b>117.7</b>	<b>5,753.3</b>
<b>Economic data</b>	<b>UM</b>	<b>France</b>	<b>Germany</b>	<b>Italy</b>
Third party revenues	mil euros	1,245.9	443.1	55,393.3
Cross-border intercompany revenues	mil euros	34.6	92.6	472.3
In-Country intercompany revenues	mil euros	-	0.0	35,971.7
Earnings Before Taxes	mil euros	38.4	13.0	4,135.8
Corporate Income Tax Accrued	mil euros	10.3	4.0	1,587.2
Prepaid/Deferred Taxes	mil euros	1.4	4.1	169.2
Tangible assets	mil euros	3.6	0.2	34,178.9
Employees	no.	55	24	31,451
Accumulated earnings	mil euros	-0.0	-31.2	10,585.8
Stated capital	mil euros	2.7	51.2	54,102.2
TT Rate	%	25.0%	6.0%	38.5%
TTC in relation to revenues	%	15.7%	22.0%	10.3%
Taxes Borne in relation to revenues	%	0.8%	0.1%	3.4%
Taxes Collected in relation to revenues	%	14.9%	21.8%	6.9%

(1) Values are stated in millions of euros; zero indicates a value lower than 100,000 euros.

Netherlands	Portugal	Spain	2023	2022	2023-2022	%
<b>20.0</b>	<b>25.2</b>	<b>1,764.9</b>	<b>3,739.9</b>	<b>3,070.1</b>	<b>669.8</b>	<b>21.8%</b>
19.8	24.2	481.9	<b>1,611.6</b>	<b>1,223.8</b>	<b>387.8</b>	<b>31.7%</b>
19.8	24.2	450.9	<b>1,578.3</b>	<b>1,191.7</b>	<b>386.6</b>	<b>32.4%</b>
-	0.0	971	<b>260.2</b>	<b>251.4</b>	<b>8.8</b>	<b>3.5%</b>
0.3	1.0	148.1	<b>691.3</b>	<b>678.3</b>	<b>13.0</b>	<b>1.9%</b>
-	-	470.8	<b>473.0</b>	<b>311.6</b>	<b>161.4</b>	<b>51.8%</b>
-	-	5671	<b>703.8</b>	<b>604.9</b>	<b>98.8</b>	<b>16.3%</b>
<b>3.4</b>	<b>271.6</b>	<b>1,016.9</b>	<b>5,434.1</b>	<b>6,456.5</b>	<b>-1,022.4</b>	<b>-15.8%</b>
-	0.0	78.7	<b>81.3</b>	<b>102.6</b>	<b>-21.3</b>	<b>-20.7%</b>
-	0.1	0.3	<b>0.5</b>	<b>0.3</b>	<b>0.2</b>	<b>54.6%</b>
1.0	1.7	259.9	<b>952.9</b>	<b>889.8</b>	<b>63.1</b>	<b>7.1%</b>
1.5	257.7	581.2	<b>2,720.7</b>	<b>3,634.5</b>	<b>-913.8</b>	<b>-25.1%</b>
0.8	12.1	96.7	<b>1,678.8</b>	<b>1,829.4</b>	<b>-150.6</b>	<b>-8.2%</b>
<b>23.4</b>	<b>296.8</b>	<b>2,781.8</b>	<b>9,174.0</b>	<b>9,526.6</b>	<b>-352.6</b>	<b>-3.7%</b>
Netherlands	Portugal	Spain	2023	2022	2023-2022	%
1,465.8	1,015.3	25,625.2	<b>85,188.6</b>	<b>146,562.8</b>	<b>-61,374.2</b>	<b>-41.9%</b>
1,950.3	2871	-512.4	<b>2,324.5</b>	<b>8,408.8</b>	<b>-6,084.3</b>	<b>-72.4%</b>
1.8	0.2	13,423.1	<b>49,396.9</b>	<b>76,150.7</b>	<b>-26,753.8</b>	<b>-35.1%</b>
363.7	49.7	1,412.5	<b>6,013.1</b>	<b>1,000.7</b>	<b>5,012.4</b>	<b>500.9%</b>
66.0	11.2	119.9	<b>1,798.6</b>	<b>1,732.4</b>	<b>66.2</b>	<b>3.8%</b>
50.5	0.0	104.9	<b>330.2</b>	<b>-81.7</b>	<b>411.9</b>	<b>504.2%</b>
0.3	14.2	23,336.1	<b>57,533.4</b>	<b>54,669.7</b>	<b>2,863.7</b>	<b>5.2%</b>
18	96	9,347	<b>40,991</b>	<b>41,320</b>	<b>-329</b>	<b>-0.8%</b>
-429.3	13.5	32,373.0	<b>42,511.8</b>	<b>43,763.6</b>	<b>-1,251.8</b>	<b>-2.9%</b>
11,650.1	186	26,879.8	<b>92,704.7</b>	<b>93,968.4</b>	<b>-1,263.7</b>	<b>-1.3%</b>
5.5%	49.6%	64.8%				
0.7%	22.8%	11.1%				
0.6%	1.9%	70%				
0.1%	20.9%	4.0%				

## Europe – Minor countries<sup>(74)</sup>

Economic data	UM	Greece	Romania	Ireland	Norway	Poland	Turkey	United Kingdom	Russia	2023	2022	2023-2022	%
Third party revenues	mil euros	118.6	2,420.4	12.1	0.2	23.4	0.0	30.3	0.6	2,605.6	3,632.3	-1,026.8	<b>-28%</b>
Cross-border intercompany revenues	mil euros	6.9	10.0	4.4	0.5	0.3	0.6	0.7	0.1	23.6	108.2	-84.6	<b>-78%</b>
In-Country intercompany revenues	mil euros	7.0	446.9	-	-	0.0	0.0	0.8	-	454.7	680.3	-225.6	<b>-33%</b>
Earnings Before Taxes	mil euros	-1.7	302.8	1.7	-0.8	1.5	-4.5	-3.4	-1.8	294.0	-105.9	399.9	<b>378%</b>
Corporate Income Tax Accrued	mil euros	4.3	25.4	-	-	0.5	-	-	-2.5	27.8	31.6	-3.8	<b>-12%</b>
Prepaid/Deferred Taxes	mil euros	3.2	32.6	-0.1	-	1.5	-	-	-0.0	37.3	-42.3	79.6	<b>188%</b>
Corporate Income Tax Paid	mil euros	3.6	18.0	0.0	-	1.1	0.0	-	0.0	22.7	31.9	-9.2	<b>-29%</b>
Tangible assets	mil euros	-	-	0.1	0.0	0.4	0.0	1.3	0.7	2.6	2,635.6	-2,633.0	<b>-100%</b>
Employees	no.	-	-	59	-	22	1	36	2	120	3,516	-3,396	<b>-97%</b>
Accumulated earnings	mil euros	-	-	3.1	0.8	1.6	-5.8	-5.2	4.0	-1.6	937.3	-938.9	<b>-100%</b>
Stated capital	mil euros	-	-	41.8	4.2	6.1	1.3	24.9	1.7	80.1	1,972.8	-1,892.8	<b>-96%</b>

(74) 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: Serbia, Slovakia and Sweden.



## North America – Main countries

	UM	USA&Canada	Mexico	2023	2022	2023-2022	%
<b>Taxes Borne</b>	<b>mil euros</b>	<b>89.1</b>	<b>3.9</b>	<b>93.0</b>	<b>84.4</b>	<b>8.6</b>	<b>10%</b>
Profit taxes	mil euros	2.2	1.0	3.3	5.5	-2.2	-40%
<i>Corporate Income Tax Paid</i>	mil euros	2.2	1.0	3.3	5.5	-2.2	-40%
Property taxes	mil euros	69.6	-	69.6	60.0	9.6	16%
Taxes on labor	mil euros	15.1	2.8	17.9	18.2	-0.3	-2%
Taxes on products and services	mil euros	2.2	-	2.2	0.7	1.5	228%
Environmental taxes	mil euros	-	0.0	0.0	0.0	-0.0	-20%
<b>Taxes Collected</b>	<b>mil euros</b>	<b>55.9</b>	<b>16.7</b>	<b>72.7</b>	<b>78.2</b>	<b>-5.5</b>	<b>-7%</b>
Profit taxes	mil euros	-	-	-	0.0	-0.0	-100%
Property taxes	mil euros	-	0.8	0.8	0.8	0.0	5%
Taxes on labor	mil euros	55.7	4.8	60.6	64.9	-4.3	-7%
Taxes on products and services	mil euros	0.2	11.1	11.3	12.5	-1.3	-10%
Environmental taxes	mil euros	-	-	-	-	-	-
<b>Total Tax Contribution – TTC (cash basis accounting)</b>	<b>mil euros</b>	<b>145.1</b>	<b>20.6</b>	<b>165.7</b>	<b>162.6</b>	<b>3.1</b>	<b>2%</b>
<b>Economic data</b>	<b>UM</b>	<b>USA&amp;Canada</b>	<b>Mexico</b>	<b>2023</b>	<b>2022</b>	<b>2023-2022</b>	<b>%</b>
Third party revenues	mil euros	1,948.6	349.6	2,298.2	2,481.9	-183.7	-7%
Cross-border intercompany revenues	mil euros	92.5	13.7	106.2	65.4	40.8	62%
In-Country intercompany revenues	mil euros	746.6	145.3	891.9	581.3	310.5	53%
Earnings Before Taxes	mil euros	-1,573.5	-27.1	-1,600.6	-350.9	-1,249.7	-356%
Corporate Income Tax Accrued	mil euros	0.5	12.3	12.8	56.4	-43.6	-77%
Prepaid/Deferred Taxes	mil euros	-255.1	-24.8	-279.9	-97.2	-183	-188%
Tangible assets	mil euros	11,987.9	831.4	12,819.2	13,687.6	-868.3	-6%
Employees	no.	1,440	307	1,747	2,100	-353	-17%
Accumulated earnings	mil euros	1,301.8	-565.9	735.9	1,069.7	-333.8	-31%
Stated capital	mil euros	26,752.2	2,074.6	28,826.8	24,859.2	3,967.6	16%
TT Rate <sup>(1)</sup>	%	n.a.	n.a.				
TTC in relation to revenues	%	7.1%	5.7%				
Taxes Borne in relation to revenues	%	4.4%	1.1%				
Taxes Collected in relation to revenues	%	2.7%	4.6%				

(1) Due to negative Earnings Before Taxes Borne, the TT Rate has not been calculated.

## Latin America – Main countries

	UM	Argentina	Brazil	Chile	Colombia
<b>Taxes Borne</b>	<b>mil euros</b>	<b>23.3</b>	<b>831.8</b>	<b>349.9</b>	<b>561.7</b>
Profit taxes	mil euros	7.4	186.4	318.1	415.2
<i>Corporate Income Tax Paid</i>	mil euros	5.4	186.4	318.1	391.8
Property taxes	mil euros	0.9	24.9	2.9	1.4
Taxes on labor	mil euros	8.1	57.4	-	16.5
Taxes on products and services	mil euros	5.5	563.0	6.1	97.9
Environmental taxes	mil euros	1.4	0.1	22.8	30.7
<b>Taxes Collected</b>	<b>mil euros</b>	<b>63.0</b>	<b>1,511.4</b>	<b>131.8</b>	<b>81.2</b>
Profit taxes	mil euros	3.0	16.1	26.6	22.6
Property taxes	mil euros	-	-	-	-
Taxes on labor	mil euros	6.4	43.6	21.4	13.2
Taxes on products and services	mil euros	53.6	1,451.6	83.9	29.3
Environmental taxes	mil euros	-	-	-	16.1
<b>Total Tax Contribution – TTC (cash basis accounting)</b>	<b>mil euros</b>	<b>86.3</b>	<b>2,343.2</b>	<b>481.7</b>	<b>642.9</b>
<b>Economic data</b>	<b>UM</b>	<b>Argentina</b>	<b>Brazil</b>	<b>Chile</b>	<b>Colombia</b>
Third party revenues	mil euros	2,399.1	8,854.8	5,192.6	3,387.7
Cross-border intercompany revenues	mil euros	-	66.2	436.7	3.6
In-Country intercompany revenues	mil euros	21.9	710.2	1,571.1	10.2
Earnings Before Taxes	mil euros	140.1	624.6	648.9	797.8
Corporate Income Tax Accrued	mil euros	15.5	170.6	224.8	342.0
Prepaid/Deferred Taxes	mil euros	-9.0	21.8	-6.4	22.9
Tangible assets	mil euros	1,356.4	5,262.3	7,444.0	4,465.8
Employees	no.	3,646	8,145	2,091	2,281
Accumulated earnings	mil euros	280.3	659.0	3,123.4	1,106.9
Stated capital	mil euros	606.3	17,250.6	20,966.1	2,306.1
TT Rate <sup>(1)</sup>	%	14.7%	65.5%	51.4%	58.0%
TTC in relation to revenues	%	3.6%	26.3%	8.6%	19.0%
Taxes Borne in relation to revenues	%	1.0%	9.3%	6.2%	16.6%
Taxes Collected in relation to revenues	%	2.6%	16.9%	2.3%	2.4%

(1) Due to negative Earnings Before Taxes borne, the TT Rate has not been calculated.

Costa Rica	Guatemala	Panama	Peru	2023	2022	2023-2022	%
<b>3.1</b>	<b>5.3</b>	<b>25.8</b>	<b>193.9</b>	<b>1,994.8</b>	<b>1,574.8</b>	<b>420.0</b>	<b>27%</b>
1.5	4.8	23.9	168.5	<b>1,125.8</b>	<b>664.8</b>	<b>461.0</b>	<b>69%</b>
0.7	4.7	23.9	168.5	<b>1,099.4</b>	<b>638.6</b>	<b>460.8</b>	<b>72%</b>
0.2	0.2	0.4	3.5	<b>34.5</b>	<b>40.1</b>	<b>-5.6</b>	<b>-14%</b>
0.7	0.3	0.5	2.4	<b>85.9</b>	<b>108.1</b>	<b>-22.2</b>	<b>-21%</b>
0.7	-	-	174	<b>690.6</b>	<b>693.4</b>	<b>-2.9</b>	<b>0%</b>
0.0	0.0	1.0	2.0	<b>58.0</b>	<b>68.3</b>	<b>-10.3</b>	<b>-15%</b>
<b>3.6</b>	<b>4.9</b>	<b>3.9</b>	<b>90.9</b>	<b>1,890.7</b>	<b>2,576.5</b>	<b>-685.7</b>	<b>-27%</b>
0.0	1.1	3.2	1.5	<b>74.1</b>	<b>66.8</b>	<b>7.3</b>	<b>11%</b>
-	-	-	-	-	-	-	-
0.2	0.1	0.4	9.8	<b>95.1</b>	<b>100.8</b>	<b>-5.6</b>	<b>-6%</b>
3.4	3.8	0.2	79.6	<b>1,705.3</b>	<b>2,395.0</b>	<b>-689.7</b>	<b>-29%</b>
-	-	-	-	<b>16.1</b>	<b>13.9</b>	<b>2.3</b>	<b>0%</b>
<b>6.7</b>	<b>10.3</b>	<b>29.7</b>	<b>284.7</b>	<b>3,885.5</b>	<b>4,151.3</b>	<b>-265.8</b>	<b>-6%</b>
Costa Rica	Guatemala	Panama	Peru	2023	2022	2023-2022	%
18.8	80.5	203.1	1,627.5	<b>21,764.1</b>	<b>25,198.6</b>	<b>-3,434.5</b>	<b>-14%</b>
0.5	1.9	0.3	1.6	<b>510.9</b>	<b>811.4</b>	<b>-300.5</b>	<b>-37%</b>
5.8	35.3	22.6	226.4	<b>2,603.5</b>	<b>2,849.4</b>	<b>-245.8</b>	<b>-9%</b>
-68.9	22.2	36.2	449.8	<b>2,650.6</b>	<b>3,944.7</b>	<b>-1,294.0</b>	<b>-33%</b>
0.4	4.6	12.6	156.4	<b>926.9</b>	<b>1,182.9</b>	<b>-256.0</b>	<b>-22%</b>
-0.7	-	1.6	7.3	<b>37.4</b>	<b>151.5</b>	<b>-114.1</b>	<b>-75%</b>
28.0	321.9	413.4	2,829.1	<b>22,120.8</b>	<b>21,294.1</b>	<b>826.7</b>	<b>4%</b>
32	92	92	1,091	<b>17,470</b>	<b>17,360</b>	<b>110</b>	<b>1%</b>
-78.7	162.7	148.9	-875.6	<b>4,526.9</b>	<b>3,157.1</b>	<b>1,370</b>	<b>43%</b>
322.6	227.8	422.9	3,675.3	<b>45,777.7</b>	<b>43,828.4</b>	<b>1,949</b>	<b>4%</b>
n.a.	23.4%	67.7%	40.8%				
34.9%	12.5%	14.6%	17.5%				
16.1%	6.5%	12.7%	11.9%				
18.8%	6.0%	1.9%	5.6%				

## Latin America<sup>(75)</sup> – Minor countries

Economic data	UM	Uruguay	2023	2022	2023-2022	%
Third party revenues	mil euros	0.3	<b>0.3</b>	<b>0.3</b>	<b>-0.1</b>	<b>-17%</b>
Cross-border intercompany revenues	mil euros	-	-	-	-	-
In-Country intercompany revenues	mil euros	-	-	-	-	-
Earnings Before Taxes	mil euros	-0.3	<b>-0.3</b>	<b>-0.2</b>	<b>-0.0</b>	<b>-21%</b>
Corporate Income Tax Accrued	mil euros	-	-	-	-	-
Prepaid/Deferred Taxes	mil euros	-0.1	<b>-0.1</b>	<b>-0.0</b>	<b>-0.1</b>	<b>-93,929%</b>
Corporate Income Tax Paid	mil euros	0.0	<b>0.0</b>	<b>0.2</b>	<b>-0.1</b>	<b>-93%</b>
Tangible assets	mil euros	0.0	<b>0.0</b>	<b>0.0</b>	<b>-0.0</b>	<b>-48%</b>
Employees	no.	1	<b>1</b>	<b>1</b>	-	-
Accumulated earnings	mil euros	0.2	<b>0.2</b>	<b>0.4</b>	<b>-0.2</b>	<b>-51%</b>
Stated capital	mil euros	0.0	<b>0.0</b>	<b>0.0</b>	<b>-0.0</b>	<b>-3%</b>

(75) 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: El Salvador.

## Africa and Oceania – Main countries

	UM	South Africa	2023	2022	2023-2022	%
<b>Taxes Borne</b>	<b>mil euros</b>	<b>2.8</b>	<b>2.8</b>	<b>0.1</b>	<b>2.7</b>	<b>2,174%</b>
Profit taxes	mil euros	2.8	2.8	0.1	2.7	2,174%
<i>Corporate Income Tax Paid</i>	mil euros	2.8	2.8	0.1	2.7	2,174%
Property taxes	mil euros	-	-	-	-	-
Taxes on labor	mil euros	-	-	-	-	-
Taxes on products and services	mil euros	-	-	-	-	-
Environmental taxes	mil euros	-	-	-	-	-
<b>Taxes Collected</b>	<b>mil euros</b>	<b>3.9</b>	<b>3.9</b>	<b>4.4</b>	<b>-0.5</b>	<b>-11%</b>
Profit taxes	mil euros	0.4	0.4	0.4	0.0	13%
Property taxes	mil euros	-	-	-	-	-
Taxes on labor	mil euros	3.5	3.5	4.1	-0.5	-13%
Taxes on products and services	mil euros	-	-	-	-	-
Environmental taxes	mil euros	-	-	-	-	-
<b>Total tax contribution (cash accounting) – TTC</b>	<b>mil euros</b>	<b>6.7</b>	<b>6.7</b>	<b>4.5</b>	<b>2.2</b>	<b>49%</b>
<b>Economic data</b>	<b>UM</b>	<b>South Africa</b>	<b>2023</b>	<b>2022</b>	<b>2023-2022</b>	<b>%</b>
Third party revenues	mil euros	90.0	90.0	120.5	-30.4	-25%
Cross-border intercompany revenues	mil euros	0.3	0.3	0.2	0.1	39%
In-Country intercompany revenues	mil euros	9.5	9.5	62.5	-53.0	-85%
Earnings Before Taxes	mil euros	-4.0	-4.0	-16.9	12.9	76%
Corporate Income Tax Accrued	mil euros	1.4	1.4	-	1.4	-
Prepaid/Deferred Taxes	mil euros	5.1	5.1	-0.3	5.4	1,999%
Tangible assets	mil euros	322.8	322.8	384.3	-61.5	-16%
Employees	no.	166	166	182	-16	-9%
Accumulated earnings	mil euros	-181.2	-181.2	-166.3	-15.0	-9%
Stated capital	mil euros	627	627	689.7	-62.7	-9%
TT Rate <sup>(1)</sup>	%	n.a.				
TTC in relation to revenues	%	7.5%				
Taxes Borne in relation to revenues	%	3.1%				
Taxes Collected in relation to revenues	%	4.3%				

(1) Due to negative Earnings Before Taxes borne, the TT Rate has not been calculated.

## Africa and Oceania – Minor countries<sup>(76)</sup>

	UM	Australia	Kenya	Morocco	New Zealand	Zambia	2023	2022	2023-2022	%
Third party revenues	mil euros	36.4	-	4.9	3.7	10.9	55.9	60.8	-4.9	-8%
Cross-border intercompany revenues	mil euros	0.9	-	-	0.3	-	1.2	1.9	-0.7	-35%
In-Country intercompany revenues	mil euros	18.5	-	-	-	0.3	18.8	25.1	-6.3	-25%
Earnings Before Taxes	mil euros	-19.2	-0.3	-1.3	0.0	-6.2	-26.9	-27.7	0.9	3%
Corporate Income Tax Accrued	mil euros	0.0	-	0.0	-	-	0.1	0.1	-0.1	-50%
Prepaid/Deferred Taxes	mil euros	-	-	-	-	-1.7	-1.7	-2.8	1.1	39%
Corporate Income Tax Paid	mil euros	0.0	-	-	0.1	-	0.1	0.1	-0.0	-20%
Tangible assets	mil euros	12.6	0.0	0.8	0.4	17.3	31.1	362.0	-330.8	-91%
Employees	no.	39	1	30	5	5	80	148	-68	-46%
Accumulated earnings	mil euros	-3.2	-3.3	0.3	-0.2	-4.7	-11.2	-76.8	65.6	85%
Stated capital	mil euros	65.9	2.5	76.6	1.9	7.0	153.9	570.6	-416.7	-73%

(76) 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: Namibia, Ethiopia and Egypt.

## Asia – Main countries

	UM	India	2023	2022	2023-2022	%
<b>Taxes Borne</b>	<b>mil euros</b>	<b>1.4</b>	<b>1.4</b>	<b>1.8</b>	<b>-0.3</b>	<b>-19%</b>
Profit taxes	mil euros	1.0	1.0	1.4	-0.5	-34%
<i>Corporate Income Tax Paid</i>	mil euros	0.6	0.6	1.4	-0.7	-54%
Property taxes	mil euros	0.0	0.0	0.0	0.0	81%
Taxes on labor	mil euros	0.5	0.5	0.3	0.1	45%
Taxes on products and services	mil euros	-	-	-	-	-
Environmental taxes	mil euros	-	-	-	-	-
<b>Taxes Collected</b>	<b>mil euros</b>	<b>6.0</b>	<b>6.0</b>	<b>5.8</b>	<b>0.2</b>	<b>4%</b>
Profit taxes	mil euros	3.3	3.3	3.0	0.3	11%
Property taxes	mil euros	-	-	-	-	-
Taxes on labor	mil euros	2.1	2.1	1.7	0.4	23%
Taxes on products and services	mil euros	0.6	0.6	1.1	-0.5	-46%
Environmental taxes	mil euros	-	-	-	-	-
<b>Total Tax Contribution – TTC (cash basis accounting)</b>	<b>mil euros</b>	<b>7.4</b>	<b>7.4</b>	<b>7.5</b>	<b>-0.1</b>	<b>-1%</b>
<b>Economic data</b>	<b>UM</b>	<b>India</b>	<b>2023</b>	<b>2022</b>	<b>2023-2022</b>	<b>%</b>
Third party revenues	mil euros	21.1	21.1	42.2	-21.0	-50%
Cross-border intercompany revenues	mil euros	12.6	12.6	9.0	3.7	41%
In-Country intercompany revenues	mil euros	1.4	1.4	7.0	-5.6	-80%
Earnings Before Taxes	mil euros	-10.1	-10.1	-20.7	10.7	51%
Corporate Income Tax Accrued	mil euros	0.1	0.1	-	0.1	-
Prepaid/Deferred Taxes	mil euros	-0.1	-0.1	1.5	-1.5	-104%
Tangible assets	mil euros	65.0	65.0	225.6	-160.6	-71%
Employees	no.	371	371	397	-26	-7%
Accumulated earnings	mil euros	-35.1	-35.1	-23.3	-11.8	-51%
Stated capital	mil euros	190.8	190.8	210.9	-20.1	-10%
TT Rate <sup>(1)</sup>	%	n.a.				
TTC in relation to revenues	%	22.0%				
Taxes Borne in relation to revenues	%	4.2%				
Taxes Collected in relation to revenues	%	178%				

(1) Due to negative Earnings Before Taxes Borne, the TT Rate has not been calculated.

## Asia – Minor countries<sup>(77)</sup>

	UM	China	Indonesia	Israel	Japan	Singapore	South Korea	Taiwan	2023	2022	2023-2022	%
Third party revenues	mil euros	1.4	-	1.5	31.3	-0.0	28.4	3.0	65.6	51.2	14.4	28%
Cross-border intercompany revenues	mil euros	1.2	-	-	0.1	-	0.1	0.1	1.6	0.7	0.9	130%
In-Country intercompany revenues	mil euros	-	-	-	-	-	0.0	-	0.0	0.0	-0.0	-23%
Earnings Before Taxes	mil euros	-2.5	-0.1	0.0	1.3	-1.1	-3.3	-2.5	-8.1	-9.1	0.9	10%
Corporate Income Tax Accrued	mil euros	-	-	0.0	-	-0.0	0.1	-	0.1	-0.0	0.1	970%
Prepaid/Deferred Taxes	mil euros	-	-	-	-1.1	-	-	-	-1.1	-	-1.1	-
Corporate Income Tax Paid	mil euros	-	-	-	0.0	-	0.1	-	0.1	0.0	0.1	231%
Tangible assets	mil euros	0.1	-	0.1	2.0	-	9.5	3.1	14.9	10.0	4.8	48%
Employees	no.	12	-	1	32	-	43	11.0	99	89	10	11%
Accumulated earnings	mil euros	-6.4	-3.0	-	1.3	-6.4	-24.5	-3.0	-41.9	-38.7	-3.2	-8%
Stated capital	mil euros	9.1	3.6	-	2.0	5.5	36.4	7.2	63.7	52.9	10.9	21%

(77) 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: Saudi Arabia, Lebanon and Vietnam.

## Reconciliations with the 2023 Integrated Annual Report

In the following paragraphs, a reconciliation of data represented in the Tax Transparency Report is made with respect to the contents of the 2023 Integrated Annual Report. This reconciliation is necessary given the different meth-

ods for drafting the Tax Transparency Report – which have been changed by the OECD rules for Country-by-Country Reporting – with respect to the principles adopted for the drafting of the Consolidated Financial Statements.

		2023		
mil euros				
Items subject to reconciliation	Tax Transparency Report	Integrated Annual Report	Difference to be reconciled	
Third party revenues	112,089	95,565	-16,524	
Earnings Before Taxes	7,306	7,416	110	
Tangible assets	92,756	89,801	-2,955	
Taxes paid	2,707	2,958	251	

### Third party revenues

The deviations between the data given in the Tax Transparency Report and the data in the 2023 Integrated Annual Report are:

- i. Financial income (-6,166 million euros):** for the purposes of the Integrated Annual Report the financial data for financial income is entered in the financial statements on a specific line of the Income Statement that is different than the "Revenues" item, which differs from what is required under the OECD rules<sup>(78)</sup> applied for the purposes of the Tax Transparency Report;
- ii. Derivatives (-5,552 million euros):** for the purposes of the Integrated Annual Report, the management of derivative instruments is centralized within the trading companies that operate on behalf of the Group companies in generation and marketing. Intercompany transactions linked to this operation are eliminated for the purposes of drafting the Financial Report but not for the purposes of the Tax Transparency Report;
- iii. System charges (-2,547 million euros):** the system charges that the Italian marketing companies re-invoice to end customers, and which consist of the amount that was charged to them by the distribution companies, are the subject of a finalized consolidation adjustment to align mutual balances between companies belonging to the same group. Therefore, intercompany economic effects (i.e., revenues) are eliminated for the purposes of the Financial Report but not for the purposes of the Tax Transparency Report;

- iv. Revenue from Discontinued Operations<sup>(79)</sup> (-2,539 million euros):** for the purposes of the Integrated Annual Report, the revenues relating to Group components (branches, companies or geographical areas) that have been or are being disposed of are shown as a single net amount in a separate line of the Income Statement, while for the purposes of the Tax Transparency Report these revenues are analytically represented by the companies within the scope;
- v. Fair value of companies consolidated using the equity method (239 million euros):** for the purposes of the Integrated Annual Report, the proceeds deriving from remeasurements at fair value of companies valued using the equity method are included in the results for the period through consolidation entries. Vice versa, for the purposes of the Tax Transparency Report, the proceeds related to the companies consolidated using the equity method are excluded as these entities are not relevant;
- vi. Dividends from companies consolidated using the equity method (-26 million euros):** for purposes of the Integrated Annual Report, dividends received from consolidated companies<sup>(80)</sup> are eliminated. These revenues are considered in the Tax Transparency Report;
- vii. Other consolidation adjustments** made on the basis of the application of international accounting principles **(67 million euros)<sup>(81)</sup>.**

(78) For the purposes of Country-by-Country Reporting (BEPS Project – Action 13).

(79) For more details regarding the definition of Discontinued Operations, refer to the Integrated Annual Report.

(80) Using the full, proportional and equity method.

(81) These include the following specific situations listed by way of example only: (i) elimination of intercompany margins and gains, (ii) recognition of any negative goodwill following M&A transactions (iii) capitalizations of financial expenses in cases of equity injection, (iv) adjustments to contracts with physical delivery stated at fair value and (v) changes in the consolidation scope during the year.

	2023
<b>Third party revenues – Tax Transparency Report</b>	<b>112,089</b>
<b>Financial income</b>	<b>-6,166</b>
<b>Derivatives</b>	<b>-5,552</b>
<b>System charges</b>	<b>-2,547</b>
<b>Revenues from discontinued operations</b>	<b>-2,539</b>
<b>Fair value of companies consolidated using the equity method</b>	<b>239</b>
<b>Dividends from companies consolidated using the equity method</b>	<b>-26</b>
<b>Other consolidation adjustments</b>	<b>67</b>
<b>Revenues – Consolidated Financial Statements</b>	<b>95,565</b>

## Earnings Before Taxes

The deviations between the data given in the Tax Transparency Report and the data in the 2023 Integrated Annual Report are:

- i. Impairment on shareholdings (1,169 million euros):** the accounting records for equity investments consolidated with the full method does not have an impact on the Income Statement in the Annual Financial Report. These accounting records however involve a reduction in profit before taxes for the purposes of the Tax Transparency Report;
- ii. Derivative management (-707 million euros):** for the purpose of the Integrated Annual Report, the accounting records related to the Cash Flow Hedge reserve for a possibly different qualification of the derivatives between the stand alone view of the Company and that of the Group do not have any impact on the Income Statement. These accounting records however involve an increase in profit before taxes for the purposes of

the Tax Transparency Report;

- iii. Results from Discontinued Operations (-301 million euros):** for the purposes of the Integrated Annual Report, the results related to Group components (branches, companies or geographical areas) that have been or are being discontinued are stated as a single net amount on a separate line of the Income Statement, whereas for the purposes of the Tax Transparency Report these revenues are represented analytically among those of the companies within the scope;
- iv. Results from companies valued at equity (-42 million euros):** for the purposes of the Integrated Annual Report, the results from companies consolidated at equity are included. Otherwise, these results are not considered in the Tax Transparency Report;
- v. Other consolidation adjustments** made on the basis of the application of international accounting principles **(-9 million euros)<sup>(82)</sup>.**

## Tangible assets

The differences between the data given in the Tax Transparency Report and the data in the Integrated Annual Re-

port are due to **Adjustments from consolidation (2,955 million euros)<sup>(83)</sup>.**

	2023
<b>Tangible assets – Tax Transparency Report</b>	<b>92,756</b>
<b>Adjustments from consolidation</b>	<b>-2,955</b>
<b>Consolidated tangible assets</b>	<b>89,801</b>

(82) These include the following specific situations listed by way of 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, (iii) changes during the year in the scope of consolidation, (iv) provision (or release) of funds in the Income Statement, and (v) intercompany capital losses (capital gains).

(83) 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 assets and (v) elimination of effects related to Discontinued Operations and assets qualified as Available for Sale.



	2023
<b>Earnings Before Taxes – Tax Transparency Report</b>	<b>7,306</b>
<b>Impairment losses on shareholdings</b>	<b>1,169</b>
<b>Derivative management</b>	<b>-707</b>
<b>Results from discontinued operations</b>	<b>-301</b>
<b>Results from companies accounted for using the equity method</b>	<b>-42</b>
<b>Other consolidation adjustments</b>	<b>-9</b>
<b>Earnings Before Taxes – Consolidated Annual Report</b>	<b>7,416</b>

## 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<sup>(84)</sup>.

	2023
<b>Taxes paid – Tax Transparency Report</b>	<b>2,707</b>
<b>Differences due to the use of the indirect method for the purposes of the cash flow statement</b>	<b>251</b>
<b>Taxes paid – Consolidated Annual Report</b>	<b>2,958</b>

## Tax Rate

With reference to the reconciliation between the theoretical and actual tax rate, reference should be made to the analysis contained in the 2023 Integrated Annual Report.

(84) By way of example only, the differences in 2023 can mainly be attributed to: (i) inclusion in the data of the Integrated Annual Report of the taxes related to dividends (excluded from the data in the Tax Transparency Report) and (ii) changes during the year in the scope of consolidation.

# INNOVATION

## SUSTAINABILITY PLAN PILLAR

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



### GROWTH ACCELERATORS

- Innovation



Enel is committed to a resilient and sustainable energy system by developing and deploying new technologies, solutions and models that meet the criteria of sustainability, economic competitiveness, environmental protection, safety and protection of the local areas.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
INNOVATION AND SUSTAINABILITY			
Proof of Concept to test innovative solutions	<b>113</b> Proof of Concept launched	Launch of <b>200</b> Proof of Concept to test innovative solutions in the 2024–2026 period	<b>9</b> <b>17</b>
Innovative solutions being scaled up in the business	<b>46</b> solutions adopted in the business	<b>80</b> innovative solutions being scaled up in the business to boost the implementation of the Strategic Plan in the 2024–2026 period	<b>9</b> <b>17</b>

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# INNOVATION



DMA EU (former EU8)


## 46

**INNOVATIVE SOLUTIONS BEING  
SCALED UP IN THE BUSINESS**

60 in 2022  **-23.3%**

## 113

**PROOF OF CONCEPT**

194 in 2022  **-41.7%**

## 10

**INNOVATION HUBS**

10 in 2022  **0%**

## 35

**PARTNERSHIPS  
FOR INNOVATION**

43 in 2022  **-18.6%**

## 58

**COLLABORATIONS  
LAUNCHED WITH STARTUPS**

119 in 2022  **-57.9%**

Innovation is a key element of Enel's strategy and plays a major role in creating shared value with different stakeholders, opening new horizons together with employees and partners for the benefit of customers, the community and the environment. A key factor in a resilient and sustainable future energy system is the development and deployment of new technologies, solutions and models that meet the criteria of sustainability, economic competitiveness, environmental protection, safety and security. Priorities and the portfolio of innovation projects have been reshaped to support the new Group strategy; a new, simpler organizational structure has also been set up to

ensure operational effectiveness and to focus on the priorities of the business areas: **increased efficiency, flexibility and resilience of operating assets, improved safety of people**, new energy storage technologies, **reduced impacts on the environment and biodiversity of assets** both in operation and under construction, **electrification of customers**, and **innovative supply models** to unlock new opportunities for the Group.

This is a process that leverages cutting-edge innovation, passion and ideas, not only internally through upskilling and reskilling strategies, but also outside of the Company.

## Enel's Open Innovability® to change the future of energy

Enel's **open innovation model** leverages several tools to find solutions to business needs. The Company's crowd-sourcing activity consists of publishing online – through the **openinnovability.com** platform – specific challenges addressed to audiences both external and internal to Enel, with the aim of attracting the best talents, ideas and technologies, to provide new solutions that will evolve within the Group. This way, all areas of the Company come into contact with startups, industrial partners, small and medium-sized enterprises (SMEs), research centers, universities, and entrepreneurs. Launched in 2017, the **openinnovability.com** platform brought together more **than 220 challenges, including over 40 in the past 2 years, and over**

**15,000 evaluated opportunities**. In the past year, public challenges for which the most solutions were proposed include: innovative ways to improve albedo in solar generation plants, sustainable approaches for reusing concrete, a new design for primary and secondary substations. Those who put forward solutions can win monetary awards or start collaborations with the Group.

Enel has a global network of **Innovation Hubs and Labs** to expand the Group's vision, promoting innovation and sustainability. The **Hubs** are located in some of the Group's key innovation ecosystems, such as the United States and Europe. They manage a network of relationships with all stakeholders involved in innovation activities, serving as

the main source of scouting for startups and SMEs, and fostering financially, environmentally and socially sustainable solutions. The **Labs** (located mainly in Italy and Israel) make it possible for startups to work alongside the technicians and experts of Enel's Business Lines to develop and test solutions in the most fertile environment possible.

Open innovation also means creating **partnerships** with key players. Enel is currently engaged in 35 innovation collaborations covering the most strategic areas for the Group; these focus on cutting-edge topics such as promoting space applications in the energy sector (ESA and Thales Alenia Space) and co-developing innovative digital solutions (Cisco and Microsoft). **Co-development with suppliers** and industrial partners is one of the most interesting approaches in the Group's strategy, making it possible to develop innovative initiatives and services by quickly and effectively targeting industrial implementation and leveraging existing skills and structures. It is a win-win approach where Enel works with large industrial partners by harnessing its resources to achieve a shared goal.

Dedicated **cross-functional work groups (Innovation Communities)** have been set up, which take an innovative approach to tackling key topics for business and new technologies and to create value. Active communities cover the following topics: blockchain, drones, energy stor-

age, metaverse, artificial intelligence (AI), robotics, sensors, 3D printing, hydrogen, generative design, wearables, materials and quantum computing. Other working groups are dedicated to additive manufacturing, data monetization and machine learning. The Communities continuously monitor potential technological improvements and share new useful business models, added value services and use cases for types of technologies that could be adopted in various Group areas.

Enel constantly promotes and spreads the culture, knowledge and practices of open innovation in the countries where it operates, fostering a "learning by doing" approach which allows people to think and act differently and disseminate methods and tools that generate new ideas and support their development. There are many tools and initiatives for innovation that are useful for the dissemination of the open innovation culture. In addition to the recurring newsletters, surveys and webinars, periodic meetings are held with all Business Lines on many levels, not just managerial, but also with the non-hierarchical communities. The necessary resources are made available for promoting a culture of knowledge and enhancing its value at all levels, increasing awareness among people also thanks to training courses, events and meetings.

## A new practice for sustainable innovation management

A critical success factor is the ability to manage innovation as a system (a strategic topic for organizations and businesses) and to organize all stages of the process.

In 2022, Enel voluntarily adopted the **ISO 56002 standard**, which governs all aspects of innovation management, from the inception of an idea through to its implementation on a global scale.

In December 2023, **UNI/PdR Practice 155 "Sustainable innovation management - Guidelines for the management of sustainable innovation processes in companies through open innovation"** was published, which was developed by Enel experts in collaboration with the Italian standards body UNI. This (pre-regulatory) document aims to provide practical support for all organizations that wish to address the organizational and production changes necessary to implement an effective sustainable innova-



tion management process internally.

Based on the principles and framework provided by the ISO 56000 series of standards (in particular UNI EN ISO 56000:2021, UNI EN ISO 56002:2021, UNI EN ISO 56003:2021, UNI EN ISO 56005:2021 and UNI ISO 56006:2022), the document offers guidance with establishing a sustainable innovation plan, identifying specific needs and areas of opportunity, as well as with researching, validating, and developing industry-scale solutions. A specific chapter of the document is devoted to research solutions tools and methods, including crowdsourcing, startups, innovation events, cross-functional working groups, corporate entrepreneurship programs, and more.

# How ideas are transformed into business solutions, creating shared value

Below are some examples of innovation projects focused on the Group's strategic priorities.



## INCREASED EFFICIENCY, FLEXIBILITY AND RESILIENCE OF OPERATING ASSETS

### NEW AND INCREASINGLY SUSTAINABLE ENERGY STORAGE TECHNOLOGIES

In 2023 a pre-commercial-scale testing campaign of a **zinc technology-based storage system** was launched at the Enel Innovation Hub&Lab in Catania (Italy), to accelerate the potential scale-up on the Enel Green Power business and diversify the portfolio of energy storage solutions.

In Tuscany (Italy), experiments continued on the innovative **thermal storage system** with a capacity of about 24 MWh, which uses common fragmented rocks that can store heat at about 500 °C with a storage duration of 5 hours. The

system employs no critical materials, uses no potentially polluting substances, is inherently safe with no moving parts or flammable substances and is, therefore, a sustainable solution for the decarbonization of industrial thermal consumption.

A partnership was signed in 2023 to start testing (in one Italian and four American plants) an **advanced monitoring and diagnostic system** for lithium battery systems, which can simplify the collection and analysis of complex data, improve safety and reduce operational risks to increase performance and ensure high availability of storage systems, serving renewable energy resources.

### GREEN HYDROGEN FOR DECARBONIZATION OF HARD-TO-ABATE SECTORS

Enel has continued with its **NextHy** initiative, which aims to stimulate the growth of the entire green hydrogen ecosystem. The **Hydrogen Industrial Lab** in Sicily (Italy) will be the main hub, serving as an industrial technology validation platform straddling the municipalities of Carlentini and Sortino, with the aim of collaborating with startups and global players to test new technologies that can accelerate the reduction of green hydrogen costs and enable the decarbonization of "hard-to-abate" sectors. NextHy

Industrial Lab is one of the Italian projects which receives IPCEI Hy2Tech funding, which has a total endowment of 4.5 billion euros made available by the European Union for the development of hydrogen-focused initiatives of strategic interest.

The NextHy project also includes the NextHy Booster Program – an acceleration program promoted by Enel that aims to support the most promising startups in technology scale-up and business model development. The program engages with top scientific partners, such as the Polytechnic University of Turin, with which the first experimental validation activities were launched in 2023 with the startups Power to Hydrogen and 1s1.

### DIGITIZATION FOR THE ENERGY TRANSITION

Maintaining responsible behaviors is key to ensuring safety at every stage and place of work, which is why in 2023 Enel Grids led the development of a virtual assistant in Italy, called **Electra**, which will be available from 2024 and will make field operations safer and more ef-

ficient. Electra can be consulted hands-free (making it possible to keep protective gloves on during tasks) and will act as a single point of access to work apps, simplifying and speeding up the acquisition of data needed to perform tasks. Using artificial intelligence, it monitors environmental noises and asks the operator to confirm their state of health, and then handles any requests for help. The goal of the initiative was to create a kind of "digital barrier", enabling people and vehicles to move

safely around work areas and construction sites. To ensure greater safety during operations, the **APP5RO** app was also developed, which leverages the latest computer vision and deep learning algorithms to alert operatives in real time in the event of an electrical hazard (see the chapter on “Health and safety of people”).

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## AUTOMATION FOR EFFICIENCY AND SAFETY

An autonomous and sustainable robotic system has been implemented at the **Totana and Las Corchas photovoltaic power plants** in Spain to clean photovoltaic panels without the use of water. The solution was developed in collaboration with Sicilian startup **Reiwa** and provides a significant reduction in cost and related CO<sub>2</sub> emissions, consuming no water or diesel fuel, while at the same time increasing the safety and skills of staff. The Company is training more qualified personnel (e.g., for on-site maintenance of robotic devices), with the creation of more highly-specialized jobs.

In the hydroelectric field, those at Enel Green Power have internally developed the **Oculus robot**, which can enhance both safety and efficiency in hydroelectric plants: in addition to speeding up inspection or investigation processes, it reduces (or removes) the need for staff to perform spe-

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## HYDROELECTRIC FLEXIBILITY – INNOVATIVE MODELING OF THE FADALTO POWER PLANT – BYPASS PROJECT

The idea stems from the well-established collaboration between the Functions Global Energy and Commodity Management & Chief Pricing Officer and Enel Green Power & Thermal Generation to re-evaluate and improve the efficiency of Italian hydroelectric storage systems. The project will be completed in 2024 and involves the Fadalto plant, located in the Veneto region of Italy, consisting of two production and pumping units. It involves the installation of two hydraulic bypass lines on both units. The plant is a pivotal element for the management of environmen-

Thanks to artificial intelligence, since 2023 an innovative tool **for optimized management of spare parts inventories** has been available for all Enel Green Power plants, which uses mathematical algorithms and machine learning **to automatically identify the optimal stock level of each item**, resulting in significant cost and time savings

cialized inspections, both in places that are difficult to access and in confined areas of hydroelectric plants such as piezometric wells, tunnels and pipelines. The system was optimized by design on the specific needs of the end user, and development was concluded with the production of the first ten industrialized robots for the hydroelectric perimeter in Italy.

Through innovation, Enel Grids also aims to roll out increasingly cutting-edge and efficient solutions to **improve the safety** of colleagues and partners. As such, in 2023 Enel Grids has developed a robotic solution to support overhead maintenance activities on the Medium Voltage overhead grid, which allows complex work to be performed safely and eliminates the risks of falling from height and electrocution. The innovative robotic system, controlled by a ground-based operator, can handle a range of operations with a high degree of dexterity and support heavy loads. With a modular design, it can be installed on vehicles of different sizes to ensure access even in the most inaccessible areas. A pilot project will arrive in Italy in 2024.

tal operating constraints of one of Italy’s largest hydroelectric rods; it also leads to an interconnection line with foreign countries (Soverzene-Lienz) which is particularly important for the stability and safety of the Italian and European power grid. The operation and relative use of the plant in the electricity markets have always been highly constrained, since the plant must constantly ensure hydraulic flows compatible with downstream irrigation uses, but also tightly control the level of the Santa Croce lake upstream (Veneto, Italy). With the new modeling, the production unit, in its “second life”, will be constantly available to deliver all flexibility services, as well as more efficient and safer management of constraints with benefits also for the various stakeholders in the watershed and for the surrounding environment in general.



## REDUCED IMPACTS OF ASSETS ON THE ENVIRONMENT AND BIODIVERSITY

### BIODIVERSITY

With the **agrivoltaic** demonstration program developed simultaneously in several countries (Spain, Greece, the United States and Australia), Enel Green Power has shown the effectiveness of integrating solar energy production, agri-livestock activities, biodiversity conservation and improved ecosystem services, using innovative methodologies and technical solutions. Moreover, a new initiative called Agrivoltaic Open Labs has been launched in Italy, with the opening of five “open laboratories” to test different innovative photovoltaic technologies, monitoring sensors and coexistence methodologies with high-income crop activities and biodiversity conservation measures. These Open Labs make it possible to work together with the local area, promoting an open and collaborative approach with local farms, beekeepers, universities, research centers and startups with specific expertise in these areas, as well as engaging schools and other local entities in training and awareness-raising activities. Four Agrivoltaic Open Labs were launched between September and December 2023 and are now operational. The first opened in Colfiorito, Um-

bria, at the La Valletta farm where vertical photovoltaic technology was integrated with arable crops such as PDO lentils. The second opened in Salaparuta, Sicily, at the Vaccaro Winery, where vertical photovoltaic technology enabled integration with a vineyard already in production. The third was launched in Bastardo, Umbria, at Enel Green Power’s first standard configuration agrivoltaic site, with the collaboration of the University of Tuscia, the Università Cattolica del Sacro Cuore, the University of Perugia and the start-up 3Bee. This project is also supported within the framework of the National Biodiversity Center (NBFC) – the first national research center dedicated to biodiversity and coordinated by the National Research Council (CNR), with funding from the National Recovery and Resilience Plan (PNRR). Lastly, the fourth was launched together with Enea in Portici, Campania, and is the first algovoltaic® plant integrating microalgae culture with the photovoltaic plant. These initiatives will also make it possible to put in place and validate innovative business models and new approaches to engaging key local stakeholders. On agrivoltaics, see also the chapters “Roadmap towards natural capital conservation” and “Engaging communities”.

### CIRCULAR APPROACHES

With the **Wind New Life** project, Enel Green Power is supporting – together with other wind operators and specialized companies – the construction of a plant in Italy by 2026 for the collection and treatment of decommissioned wind turbine blades, which will be able to dispose of up to 3,000 tons per year of composite material. The goal is to turn fiberglass from end-of-life blades into secondary raw material to be reused for the production of high-value components, such as building materials, sanitary and furniture products, pipe insulation, and roadside cabinets. As part of the project, a business model and basic economic conditions were agreed upon in 2023.

Circular approaches have been adopted in the field of solar photovoltaics. Together with other companies and research institutes, Enel Green Power is participating in the European project **Photorama** to help develop innovative technologies to recycle end-of-life photovoltaic products and production waste. It aims to go beyond current recov-



ery levels to reach close to 95% of secondary raw materials, enabling the most valuable materials to be recovered. Regarding Enel’s circular approach see also the chapter on “Circular economy”.



## SUPPORTING CUSTOMER ELECTRIFICATION

### SMART CITY

The **Open Data 4 Smart & Sustainable Cities** program designed by Enel X processes open data using *ad hoc* models to provide concrete support to government bodies in directing urban planning actions. Enel X continued its commitment in 2023, releasing the upgrade of the **Circular City Index** for all Italian municipalities, which estimates readiness in terms of policy and infrastructure enabling urban circularity, and the **15 Minute City Index**, which analyzes urban planning of service proximity, in line with the 15 Minute City model. Also in 2023, the new **CO<sub>2</sub> City Index** was released, which integrates new data sources with experimental models, and provides an estimate of anthropo-

genic CO<sub>2</sub> emissions for Italian municipalities and their micro-districts, highlighting the main emitting sectors, from private and public transport to industry and buildings.

All analyses are available in the **Enel X YoUrban** (Italy) portal – a single point of access allowing government bodies to take advantage of all Enel X solutions on the urban perimeter, from the digital management of faults in public lighting systems through to the innovative City Analytics solution for optimal urban planning. In 2023, a service was also made available for municipalities to design challenges or activities relating to environmental and social sustainability issues, and to engage and reward the most virtuous citizens through the YoUrban app (see the chapter on “Customer centricity”).

### CUSTOMER CENTRICITY

Enel has adopted new approaches, such as neuroscience, to interpret customers’ physiological inputs, gain insights into how business communications are understood, and simplify customer relations. In 2023, this study helped **improve the layout of the paper bill** in Italy, reducing the format by one page and helping reduce the

costs and environmental impact of paper use. In 2023, payment services in Colombia were further simplified. As part of the **Botón de pago** service, a QR Code supports the customer by displaying a personalized page with their data, where they can digitally make a “one-click” payment – a simpler process that makes the service more inclusive. To learn more about additional customer-focused initiatives, see the chapter on “Customer centricity”.







## NEW MODELS TO ENABLE NEW OPPORTUNITIES FOR THE GROUP

### OPTIMIZING WEATHER FORECASTING AND NATURAL RESOURCE VARIABILITY

In 2023, a research collaboration between Intesa Sanpaolo and Enel Global Energy and Commodity Management and CPO helped **develop a market-based hedging algorithm** for illiquid products, based on Intesa Sanpaolo Group's prior experience and machine learning techniques, along with a tool that jointly optimizes risk exposure and transaction costs. In addition to enhancing the existing partnership between the two companies, this project has also been useful in benchmarking knowledge toward investment banks and testing ways to leverage intellectual property through patents.

The primary objectives of Enel Global Energy and Com-

modity Management and CPO include **optimizing the hydrological production management** of Enel's Italian power plants, minimizing risks caused by natural resource variability, and improving market strategies. To achieve this it is necessary to know not only the amount of expected rainfall, but also the volume of water in the snowpack (Snow Water Equivalent) – an important temporary reserve of winter precipitation. Thanks to the call for proposals launched with **ESA** (European Space Agency), 4 key solutions were tested in 2023 and a winner was selected, with whom the Group is collaborating on the development of algorithms to estimate the water content in the Alpine snowpack via satellite and through innovative technologies.



**Massimo Bartolucci**

Head of Sustainable Technology and Materials – Enel Grids

Enel Grids Innovation has undertaken a number of initiatives for the **technological and sustainable renewal of electricity distribution networks**, which are critically impacted by the energy transition. These include the initiative of researching innovative materials and designs for two important components: **the street box and secondary substation**. For the first component, the solution was developed from the concept design arising from the challenge launched on the Enel Openinnovation® portal; it ensures adaptability to a wide range of environments, facilitates the functional aspects of use, facilitates installation and maintenance thanks to modularity, and integrates a mix of reinforced thermoplastic

### RESILIENT NETWORKS

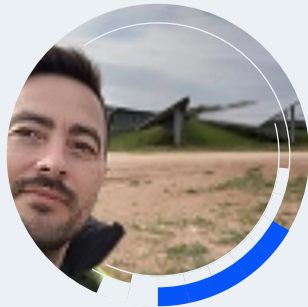
*“The development of new design systems for secondary substations, based on the principles of modularity, efficiency and sustainability, pursues Enel's commitment to make increasingly versatile and innovative tools to boost grid resilience and reliability”*

materials making it possible to use 100% recycled material. Lastly, the new model ensures greater durability of components and improved safety, thanks to an optimized natural ventilation system, special anti-intrusion door closure, and enhanced ergonomics. The design of the box has been filed by Enel, which is using the national supply chain to start production of the first 100 units, to be installed in many major Italian urban centers, such as Florence, Bari, and Matera starting in 2023. New installations will continue in 2024.

The new secondary substation solution – identified by an external jury with representatives from academic, industrial, and professional spheres who selected the

winning design from the external innovation ecosystem – is a new model that uses a smaller number of components, as well as recycled and low-environmental-impact materials, with a modular approach to provide great versatility and harmonious integration in

urban or rural, modern or historic contexts. The new substation is also capable of accommodating advanced digitization technologies. The first substation with this design will be installed in Italy in 2024 (see also the chapter on “Circular economy”).



**Pablo Fontela Martinez**

Enel Green Power  
Innovation Project Owner

## VANADIUM FLOW BATTERY INTEGRATED WITH PHOTOVOLTAICS

*“The implementation of the Son Orlandis flow battery plant is an important step forward in differentiating the portfolio of energy storage solutions”*

In **Son Orlandis**, Spain on the island of Majorca, work has been successfully completed on commissioning the **new vanadium electrolyte flow battery plant**, developed by Largo Clean Energy, coupled with a photovoltaic system. The Son Orlandis storage facility has a capacity of 1.1 MW and 5.5 MWh and is Enel’s first example of a utility-scale storage facility other than lithium coupled with a renewable.

The flow batteries operate with a liquid electrolyte that is pumped from the reservoirs to the power cells to generate (or absorb, depending on the charge or discharge phase) electricity. Thanks to this project, the experience that Enel has gained in the development,

construction, commissioning and future operation of the plant, can easily be extended to new types of flow batteries with different electrolytes that are increasingly cheaper and more sustainable, such as iron-based or organic ones.

The technological differentiation of the portfolio of storage solutions makes it possible to increase competitiveness according to the specific requirements of various use cases (e.g., provision of ancillary services to the grid and energy shifting from the hours of highest generation to those when generation is lower), thereby improving socio-environmental sustainability and supply chain security.





**Daniele Stein**

Enel Green Power  
Innovation Project Owner

## A DIGITAL ASSISTANT FOR MONITORING WIND POWER PLANTS

*"In line with Enel Green Power's mission, this project improves the well-being and quality of life of our colleagues, which we feel is essential. At the same time, it makes it possible to achieve important operational objectives, improving the effectiveness and efficiency of asset management and taking a significant step forward in sustainability: for our colleagues and for the best use of renewable facilities"*

In Spain, as part of its **Artificial Intelligence in Control Room** project, Enel Green Power has used artificial intelligence combined with robotic process automation to provide a **"virtual assistant"**, which supports the decision-making of staff working in the control rooms of Enel's **wind plants**. The digital assistant is able to deal with complex situations that are part of operators' daily routine, such as downtime, *i.e.*, production stoppages due to breakdowns, malfunctions, or other issues. The system makes its assessments based on enormous computing power, analyzing numerous variables with in-depth knowledge of the machinery in each individual plant and of all processes managed by the control room, and continuously learns thanks to machine learning processes. The solution is also being scaled-

up in other countries. The project was developed and rolled out thanks to the work of an international, multidisciplinary team made up of colleagues from Spain, Italy and the United States, specializing in different areas: data scientists, business and human behavior experts. Room operators were also involved to define the purpose, develop solutions and refine the user experience, *i.e.*, interactions between artificial and human intelligence.

It is now being considered whether to expand the project to technologies other than wind power: automating repetitive, low value-added tasks helps to reduce stress (making the work more sustainable) and lowers the chances of making mistakes (optimizing plant operation).

## Intellectual property

Enel's intellectual property portfolio (also referred to below as "IP") includes a set of information for a sustainable growth. The Open Innovability® ecosystem fosters innovation by creating and sharing both internal and external solutions, leading to a stream of inventions that can be protected and valorized through intellectual property rights.

In 2023, Enel consolidated and further streamlined its processes for managing the generation and use of intellectual property rights in Intellectual Property Management and Trade Secrets Management organizational procedures.

Both of these view human capital as an essential element in the creation of IP and aim to incentivize employees participation in the inventive process, empowering them on the strategic importance of all findings.

At the same time, Enel continued to design the digitization processes of IP rights management as part of the above organizational procedures. The use of proprietary digital tools, in line with Enel's specific needs, makes it possible to streamline IP titles according to business strategy, reporting and ongoing monitoring of both the status of the IP portfolio of the entire Group and codifying of intellec-

tual property rights originating from inventions developed within Enel's innovation ecosystem. This increases the transparency of procedures and the reliability of internal processes.

As of December 31, 2023, the Group owns 497 patents for industrial invention, 292 of which are granted titles and 205 are pending applications, belonging to 170 patent families, 16 utility models and 181 design registrations. In addition, under Gridspertise (a joint venture company), according to a stewardship model on network management techniques and platforms, there are 232 patents belonging to 15 patent families, 11 utility models and 64 design registrations. Compared to the previous year, the change in the Group's IP portfolio is mainly due to Gridspertise being removed from the scope of consolidation, as well as the outcome of the iterative rationalization activity of IP titles carried out by the Group Functions to ensure constant alignment between the IP rights structure and strategic objectives. As a result, a limited number of expiring titles were not renewed.

Together with the patents, utility models and designs, IP rights also include copyrights, *sui generis* database rights and trade secrets of a technical and commercial nature, which are constantly codified and protected in line with the requirements of the Trade Secrets Management organizational procedure.

In terms of trademarks, the Group holds 1,907 registrations, 1,617 of which have already been granted and 290 applications are pending. With particular regard to internal IP generation, 70 inventions were proposed through the corporate portal in 2023 (compared to 61 in 2022), following a now steady growth trend.

In 2023, IP protection activity continued in the Global Business Lines, Service and Staff Functions:

- In **Enel Grids and Innovability**<sup>®</sup> it is worth highlighting:
  - i. two patent applications, as part of Grid Blue Sky solutions, to protect innovative systems based on algorithms for planning grid interventions, and to enable more efficient and precise management of the electricity grid through timely interventions and reduction of waste, downtime and costs associated with repairs;
  - ii. a patent application covering a system for identifying components and possible network anomalies through the use of aerial imagery and advanced algorithms. This technology improves operational efficiency, reduces repair time, and helps ensure a more reliable energy supply, thereby optimizing resource utilization and reducing Enel's overall environmental impact;
  - iii. a patent application in the area of managing flexibility services for medium- and low-voltage users connected to the distribution network in order to

resolve operating problems relating to network congestion, voltage regulation and contingent faults;

- iv. a patent application for a system to enable the detection of grid faults using medium-voltage line impedance analysis. This technology has the potential to greatly improve grid restoration times, reducing power outages and customer inconvenience, particularly during extreme weather events;
  - v. a patent application for a data clustering method to optimize the organization of response teams in the shortest time possible.
- In **Enel X Global Retail**, it is worth mentioning:
    - i. a patent application for a method for calculating the risk of failure of a lighting system to make maintenance interventions more efficient and to predict the remaining life of particular public lighting systems, with economic and environmental impact benefits;
    - ii. the filing of a community design which protects the graphic interfaces of the *vivelettrico.it* website – a portal dedicated to energy efficiency and to disseminating best practices to private users for achieving savings in bills and approaching the energy change.
  - In the field of **electric mobility**, new solutions have been protected with the filing of:
    - i. a patent for a modular street substation with an electric vehicle charging device (WayCabinet);
    - ii. a patent and a community design to protect the technology and aesthetics of a quick socket release device, respectively;
    - iii. a community design for a charging station with the shape of a rack arranged to accommodate micromobility vehicles such as bicycles or scooters (WayPad);
    - iv. a utility model and community design for the structure and particular configuration of a shelter with a photovoltaic panel installation system for charging micromobility vehicles (WayPark Micro).
  - The following titles are highlighted in **Enel Green Power and Thermal Generation**:
    - i. in the photovoltaic sector, a patent application for a polymer formulation for the manufacture of specific plastic components of a photovoltaic module;
    - ii. in the wind and solar sector, a patent application for a process automation method based on artificial intelligence and robotic process automation; the method assists control room operators in the optimized management of remote restarts, through a multivariable analysis and evaluation of business priorities based on the type of plant stoppage;
    - iii. in agrivoltaics, a patent application for a technological integration of photovoltaic plants and microalgal growth reactors to boost the environmental sustainability and social acceptability of the photovoltaic

plant with a high value-added solution, while also significantly reducing CO<sub>2</sub> emissions into the environment;

- iv. a number of patent applications for industrial inventions have been filed in 3Sun, relating to the efficiency of photovoltaic cells and manufacturing processes.
- **Global Energy and Commodity Management** has protected, through the registration of two community designs, the special shapes of two high-voltage pylons which improve the environmental impact in the area. Also noteworthy is the authorial protection of the graphical interfaces of an app, which measures the energy produced by renewable plants up to 10 MW in real time.
- **Enel Global Services**, in the area of environmental sustainability, has produced a handbook containing guidelines for estimating the impact of digital technology in terms of CO<sub>2</sub> emissions, through an innovative calculation method. The benefit presented by this method, which is protected under copyright law, relates to the Group's zero emissions goal. Through a patent application, the Brand Reputation Index has also been protected, which makes it possible to: (i) measure reputational performance based on the external perception of the Enel brand; (ii) take measures to manage Enel's Top Management communication plan; and (iii) prevent threats and risks to safeguard the Group's reputation.
- **Global Customer Operations** has protected, through the filing of a patent, the architecture of a data model (GCO Data Model) which enables the monitoring of the performance of Group companies with regard to contract activation processes, billing, customer care, payment and credit management, as well as the analysis of the respective data. The graphical interface of the model has been protected through a community design. In addition, the codifying activity was extended to four software programs within the same platform, protected under copyright law, which enable (i) database creation, (ii) aggregation, (iii) virtualization, and (iv) data visualization and analysis.

- Lastly, with regard to the Group's **Staff Functions**, it is noted:

- i. the filing of a patent application for the Climate Scenario Adaptation Model, a model that characterizes the climate change resilience of industrial assets. Specifically, the patent covers a method for generating risk maps of localized and distributed infrastructure in areas to be monitored;
- ii. authorship protection on Economic CirculAbility<sup>®</sup> and Asset CirculAbility<sup>®</sup> indicators, which make it possible to measure the resources allocated by a company to assess the increase in financial and industrial performance;
- iii. the Data Protection platform, protected under copyright law, which facilitates the process of defining the processing of personal data by providing objective indications for the assessment of privacy risks and supporting the business in managing data processes.

With regard to joint ventures, the Enel Group is applying the stewardship model to continue its path of investment and development in the intellectual property tied to technologies and platforms for grid infrastructure management, through the company **Gridspertise**.

In 2023, Enel continued its activities to protect the **trademark portfolio** owned by the Group. In this regard, the Company filed the verbal trademark **"Tutto Enel, è Formidabile"** to distinguish and enhance the campaign of commercial offers launched by Enel, aimed at simplifying the lives of the customers with new efficient, sustainable solutions designed for different consumption needs, having Enel as a single interlocutor.

These activities consolidate the ongoing process of overall portfolio protection and management, which in the first half of 2023 led (among other things) to the application to register the Enel brand in the Special Register of Historic Brands of National Interest, which has already been granted. Also worth mentioning is the registration of the E-MIA Engagement – Materiality & Impact Analysis trademark, which aims to support all users involved in the process of stakeholder engagement and materiality analysis at Group level.

# DIGITALIZATION

## DOUBLE MATERIALITY



### MATERIAL TOPICS:

- Digital transformation

## SUSTAINABILITY PLAN PILLAR



### GROWTH ACCELERATORS

- Digitalization

## SUSTAINABLE DEVELOPMENT GOALS (SDGs)



As cyber threats increase in sophistication, frequency and impact, Enel continues to act with an integrated approach, leveraging people, technologies and processes to reduce the cyber risk. Enel is also continuing its actions to reduce CO<sub>2</sub> emissions by reducing printed pages, monitoring PC, laptop and monitor power consumption outside normal working hours, and optimizing the use and size of digital platforms to reduce the environmental impact.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS		2024–2026 TARGETS		MAIN SDGs
<b>CYBER SECURITY</b>					
Execution of cyber exercises involving plants/industrial sites	67 cyber exercises performed		155 cyber exercises over the period 2024–2026 <sup>(1)</sup>		4 9
Cyber security verification actions (Ethical Hacking, Vulnerability Assessment, etc.)	1,861 verification actions carried out		3,600 verification actions in the period 2024–2026 <sup>(1)</sup>		9
Disseminating the information security culture and changing people's behavior in order to reduce risks	19 cyber security knowledge-sharing events held per year		45 cyber security knowledge-sharing events in the period 2024–2026		4 9
<b>DIGITAL SOLUTIONS</b>					
Activities to reduce CO <sub>2</sub> emissions	-54.5 mil printed pages (vs 2019)		-17 mil printed pages in 2026 (vs 2019)		12 13
	6.9 mil meetings held via video-conferencing services		Extended use of video communication systems		12 13
	16.4 mil hours of downtime outside normal working hours		Actions to reduce PC, laptop, monitor hours of downtime		12 13
	65 new e-API Digital Ecosystem interconnections		90 new e-API Digital Ecosystem interconnections in the period 2024–2026		9 12

(1) The target has been redefined for greater focus.

### Goals



New



Redefined



Outdated

### Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# DIGITALIZATION



67

## CYBER EXERCISES

50 in 2022 +34%

1,861

## ASSURANCE CHECKS (ETHICAL HACKING, VULNERABILITY ASSESSMENT)

1,587 in 2022 +17.3%

19

## EVENTS TO RAISE AWARENESS OF CYBER SECURITY

19 in 2022 0%

**Digital transformation is a key factor for companies in the energy sector**, as it can provide solutions and technologies to meet the challenges of the energy transition, optimize grid management, improve the customer experience, enable the development of renewable energy, and facilitate the work experience, ensuring high levels of service and operational efficiency. Through a new streamlined organizational and operational model, the Global Information & Communication Technology unit, within the Global Services

Function, aims to:

- ensure and increase the **efficiency** of the service levels offered by Enel's digital solutions;
- increase **effectiveness** with a focus on demand management, adoption and recurring cost control processes;
- enhance **internalization**, maintaining expertise on key technologies through insourcing plans, increased training and tools to increase productivity.



# Sustainable digital transformation

Digital technologies such as artificial intelligence, big data, IoT and the cloud can generate major benefits in terms of streamlining business processes, but attention must also be paid to the impact they can have on the environment and people. To achieve sustainable progress, Enel's digital transformation therefore aims to use digital solutions based on specific sustainability criteria. For this reason, the **main lines of action in 2023** addressed:

- **decarbonization** and reduction of emissions linked to digital solutions;
- **circularity** of the digital devices and materials comprising the digital assets of the Group;
- promotion of **social inclusion** through the development of assistive technologies and solutions that ensure accessibility and generate value by meeting local needs;
- promotion of **best environmental performance** and adoption of **human rights principles** with the suppliers of digital products and solutions.

Enel is also a promoter in Italy – together with the Foundation for Digital Sustainability – of the first **UNI/PdR 147:2023 Reference Practice** which sets out the requirements and guidelines for more sustainable and inclusive by-design digital technology. The Practice identifies 58 sustainability indicators, which apply to all stages of the life cycle of a digital transformation project: from initiation through to planning, execution and monitoring. The indicators are tied to the Sustainable Development Goals (SDGs) to understand the extent to which a given digital transformation project is able to harness the full potential of digital technology, while meeting the economic, social and environmental sustainability criteria. In partic-

ular, Enel has globally applied the Practice to the project of digitizing meters for energy withdrawn and fed into the grid. This highlights the strength of the goals of innovation (SDG 9), responsible consumption and economic growth through software reuse (SDGs 8 and 12), while the gender equality of the predominantly male development team emerged as a point of improvement (SDG 5). The Practice was also applied to the Data Governance project for the development of a search engine to easily find active contract documents thanks to a series of filters on contract metadata (contract date, supplier, products/services, etc.). The strengths of the project include: the goals of innovation (SDG 9), knowledge sharing within the business community (SDGs 4 and 11), and good balance in terms of the working hours needed for development activities (SDGs 3 and 8); whereas the goal to enhance the use of information, which is still not widely shared (SDG 12), emerged as a point for improvement.

Lastly, in 2023 Enel globally launched a project to **assess the ethical risk in the Group's use of artificial intelligence**, in line with the requirements of new regulations at European level (AI Act). The project highlighted the need to manage the design of digital solutions based on a methodology to identify the risks, social implications and impact of technologies, and to develop a compliance-by-design model to define the most appropriate mitigation strategies for the identified risks. As a result, a "recommendations" document was drafted for the Group, containing the points to consider when designing new digital solutions.

## Inclusiveness of web portals to create value

Enel has developed a model to assess the web portals available to customers and colleagues in terms of digital inclusiveness, taking into account the social, environmental and economic sustainability impacts. The Inclusive Web Portal© framework was codified through copyright in 2023; it identifies 89 requirements, with user experience

and digital accessibility as key elements, which aim to ensure digital inclusiveness. The framework highlights persistent diversity, as well as different abilities of circumstance, demographics, economic, labor, cultural, linguistic, ethnic, and gender identity diversity. The model makes it possible to identify the actions to be taken to promote a digitally inclusive environment that can create value and meet the needs of all stakeholders, so that no one is left behind in the digital transformation process.



# Key drivers of the digital transformation

## Circular transition of the digital value chain

Digital devices are made up of materials that, if not managed properly, can be harmful to the environment when disposed of. Enel therefore implements a Group-level strategy to reduce risks and seize the opportunities arising from the management of digital devices. Incoming and outgoing commodity flows are analyzed to establish the planning requirements and assess the risks and impacts

of digital assets in terms of circularity. This analysis made it possible to identify the main critical materials present in the computers and monitors in the Company fleet (iron, copper, aluminum, and steel) and plan for the quantities of critical materials needed by Enel up to 2030 (for more details see the chapter on “Circular economy”).

## Enhancing digital devices through reuse and recycling

The process of decommissioning Company equipment results in the production of waste materials that require careful disposal methods. For this reason, the circular management of digital assets in the Group’s various countries is achieved by helping to extend the useful life of the devices, either through sale to employees and third parties or donation to third sector entities, subject to a specific

Group procedure to promote reuse and, in turn, digital inclusion (17,880 devices sold in 2023 and 38 donated). As an alternative, the Company promotes recycling of these devices (22 tons of recycled devices in 2023) which, being categorized as e-waste, are disposed of at suppliers who purchase the devices and then recycle them.

## Data enhancement through sharing

The shift from monolithic architectures and data silos to systemic, distributed and enterprise-wide models means that information can achieve greater scalability, quality and speed of movement within an organization. Specifically, the e-API (Enel Application Programming Interface) ecosystem is the digital environment, consisting of software interfaces, through which all Group companies can quickly share information in real time that would normally

remain confined to specific vertical applications (information silos). This ecosystem has helped speed up the adoption of digital solutions, reduce data redundancies within the Group and, more generally, reduce the amount of time and resources spent on exchanging flows of information. In 2023, 65 new e-API interconnections to the Group’s applications were made, avoiding additional software development costs.

### Environmental impact of digital solutions

Digital technologies can help combat climate change and help towards the energy transition by providing solutions geared toward energy efficiency and decarbonization; at the same time however, the same technologies generate emissions that negatively impact the environment. Enel’s Digital Carbon Footprint Framework<sup>®</sup>, codified through copyright in 2023, made it possible to quantify the emissions produced by the digital solutions in use

throughout the Group. In turn, an action plan was drawn up geared toward containing and reducing emissions through practices of optimizing cloud sizing, increasing the renewable power supply of digital infrastructure, and green coding – a software development mode that aims to limit the energy consumption required to execute algorithms. This led to a 36% reduction in CO<sub>2</sub> emissions from digital sources as of 2023 compared to 2018, a 206% increase in the processing capacity of the Group’s systems, and a 90% increase in data storage capacity.

# Digital for people

## Awareness for digital sustainability

A global internal communication campaign was carried out in 2023 entitled “Sustainability by/in digital”, which aimed to share a culture of digital sustainability among Enel people, make known the impacts of digital behaviors on the environment in terms of energy consumption and emissions generated, and raise awareness on the conscious use of digital technologies. The interactive campaign included the global publication of 3 news items on the corporate intranet, which covered: the first UNI/PdR

147:2023 Reference Practice, which sets out requirements and guidelines for more sustainable and inclusive digital technology; the decalogue of actions to be implemented to reduce the environmental impact of digital technology; and the guide on how to use new digital technologies while limiting energy consumption and emissions. The news items were accompanied by newsletters and surveys inviting Enel people to test their knowledge on digital sustainability issues.



## Digital accessibility for inclusion of vulnerable colleagues and customers

Assistive technologies play a key role in enabling the inclusion and social participation of people with vulnerable conditions, enabling them to overcome functional issues and reduce dependence on third parties. For this reason, Enel has drawn up a catalog of assistive hardware and software where Group people can obtain immediate technical support through dedicated teams. Examples include Jaws, a screen-reading program with speech synthesis for blind

colleagues; Zoom text, which lets visually impaired colleagues zoom in on any on-screen application and change the colors and shape of the mouse cursor; and Padius, which enables deaf colleagues to communicate through speech synthesis and speech recognition technologies so that the user can use their natural voice or write. Lastly, Veasyt is a professional sign language video interpreting service (via web or app) for events and training.



### Virtual meetings

- **6.9 million** meetings
- **552,800 tons** of CO<sub>2</sub> avoided



### Printing service

- **81 million** printed pages
- **6.4 tons** of CO<sub>2</sub> produced

The printing service, which uses new generation printer models for better eco-sustainability, continues to be in operation at all Group offices. With a more rational use of printing thanks to increased awareness and document digitalization, this system has enabled a reduction in paper consumption over the years and, in turn, a lower impact on the environment.

Services such as instant messaging (chat) and audio/video-conferencing take full advantage of the sharing model which, through the internet, allows content to be shared and enjoyed in real time from personal computers, smartphones or tablets, thereby reducing the need to travel and, in turn, lowering carbon dioxide emissions.

In 2023, monitoring continued of electricity consumption outside normal working hours linked to the IT workstations (desktop computers, laptops, monitors) of Enel people working in Italy. This was measured thanks to a Microsoft function (System Center Configuration Manager) on the workstations, which can identify when a workstation is



### PC Power Management Italy

- **16.4 million** hours of non-use
- **35.1 tons** of CO<sub>2</sub> produced

on and not being used. Compared to previous years, idle hours have increased due to the expanded scope of devices analyzed. Nevertheless, there is a steady decrease in emissions thanks to the higher energy performance of the new PCs acquired in 2023.

# Towards cyber-safe electrification

In the era of digital transformation, **cyber security** assumes a key role in ensuring the normal operation of businesses, including in view of the significant increase in cyber attacks as well as their level of sophistication and impact.

Industry studies confirm that, in line with the trend of previous years, the perception of cyber risk is growing steadily, despite the fact that previous years have been strongly characterized by conflicts and geopolitical tensions. National security agencies have therefore warned public and private institutions of potential cyber threats against critical infrastructure, often generated by activists from national and international organizations. Over the last few years, many of the world's major attacks have been carried out by leveraging the supply chain and through compromised third parties, which allowed attackers to target the primary target's customers, partners and suppliers. This caused a sharp rise in the number of victims and attacks went increasingly undetected (the so-called "scale effect"). It is also seen how the vulnerabilities detected in commonly used software products are continuously increasing and how they are taken advantage of with greater speed by IT criminals. In particular, the "zero-day" type vulnerabilities represent a large risk because they are exploited by cyber criminals to carry out attacks before software developers become aware of them and before they can release a corrective update (patch).

With reference to the energy sector, the majority of cyber attacks include ransomware, an increasingly used method that causes the exfiltration (unauthorized copy, transfer or recovery) of the victim's data and its encryption, which gives the people responsible for the attack an additional lever for receiving payment of ransom. Along with this type, 2023 saw an increase in social engineering attacks, the first step performed by cyber criminals before launching the full-fledged attack. This type leverages the victim's

difficulties in recognizing the attack, exploiting emotions such as fear and a sense of urgency to push them into performing a certain action (e.g., send money, divulge sensitive information, or share login credentials). Furthermore, market analysis and studies affirm that there is a high probability of an increase in cyber threats over the following few years due to an increasingly intensive use of generative Artificial Intelligence on the part of cyber criminals to refine attack techniques by successfully exploiting weaknesses linked to the human factor.

The global increase in cyber threats therefore constitutes an important risk factor for the Group, in that cyber attacks could cause errors in the normal performance of corporate processes, with consequent inefficiencies, losses of customers, interruptions in power generation and of business in general. In such circumstances, the Group may not be able to conduct its normal operations in an effective manner.

To these challenges can be added the development of the regulatory landscape concerning cyber security, which has led to the definition of complex and at times non-converging complex security requirements. Indeed, although regulations address the same objectives, they define different formalities, deadlines and time frames, making the necessary operations costly and complex.

In a similar context, for several years already **Enel** has adopted a strategic and integrated approach to the management of cyber risks. More specifically, a number of initiatives acting on the human factor (e.g., awareness campaigns and simulated phishing initiatives acting), through the implementation of technical protection solutions (e.g., antivirus, antispam, and multifactor authentication systems), and for the diffusion of cyber security principles into corporate processes (e.g., power plant design and maintenance, customer management and procurement) have been implemented.

## Policies and management models

In line with the needs of the energy industry, the Group has adopted a systemic vision of cyber security issues, as well as a global strategy of analysis, prevention and management of cyber security events.

Since September 2016, a **Cyber Security** unit was established in the Global Information and Communication Technology (GICT) Function reporting directly to the Chief Information Officer (CIO) and whose manager has the role of Group Chief Information Security Officer (CISO). The unit is committed to ensuring the governance, direction

and control of cyber security issues, establishing strategy, policies and guidelines in compliance with national and international regulations, engineering support for the protection of the Group's environments, monitoring of the risk posture through checks based on processes and technology, as well as monitoring and implementing compliance requirements tied to cyber security regulations, and adopting technical solutions and procedures to mitigate any weaknesses detected. The unit works in synergy with the Business Lines and with the technical

units responsible for system design and management, thanks to the Cyber Security Risk Managers and Cyber Security Response Managers. A valid approach to cyber risk management must also attribute responsibility to the Business Lines, facilitating well-grounded decisions on the management and posture of the risk. CISO and the Cyber Security Risk Managers also make up the Cyber Risks Operating Committee, which aims to evaluate cyber risks across the business and determine the risk acceptance criteria based on the Group's risk posture. The Cyber Security Committee, chaired by the Group's CEO and made up of his/her front lines, approves the cyber security strategy and periodically (at least annually) checks its progress. In 2023, the Committee met once in July and for 2024 regular meetings are planned to bring the strategy forward. All areas participate actively in implementing the cyber security strategy by way of an integrated operating plan in line with the Group's objectives. Moreover, the cyber risk and the cyber security strategy and related initiatives are the subject matter of constant in-depth analysis on the part of the main executive bodies (e.g., the Board of Directors, the Control and Risk Committee, the Board of Statutory Auditors, Supervisory Authorities, etc.) for all the legal entities and countries where the Group is present.

Moreover, the Group policy adopted in 2017 (the "**Cyber Security Framework**") addresses the principles and operational processes that support a global strategy of risk analysis, prevention and management. Based on a "sys-

temic" vision, this Framework applies across the more traditional Information Technology (**IT**) sector, as well as to Operational Technology (**OT**) environments tied to the industrial world and the Internet of Things (**IoT**). In applying this framework, the Cyber Security Risk Management method was also established. The method is applicable to all IT, OT and IoT environments and includes all of the phases required to carry out a risk analysis and define the related mitigation plan, in line with the stated cyber security goals. To balance the advantages obtained from the operation and use of IT/OT/IoT systems with the risk that can potentially derive from them, well-informed, risk-based decisions are of fundamental importance.

Enel has also created a "**Cyber Emergency Readiness Team**" (CERT) to ensure proactive management and responses to cyber incidents, while encouraging collaboration and exchanges of information within a network of accredited international partners. Having entered into an agreement with the US national CERT, there are now 9 accreditations with Romania, Italy, Chile, Argentina, Peru, Colombia, Brazil, Spain and the USA. The Group's CERT is also part of Trusted Introducer, a service that includes 508 CERTs in 75 countries. In September 2018, Enel also joined FIRST (Forum of Incident Response and Security Teams), the largest and most widespread community in the sector, with 710 members spread across 106 countries. The operational model of CERT H24 7/7 consists of an in-house team of security analysts working in shifts. This team is dedicated completely to the protection of the Company from cyber security threats.

## Definition of the IT security strategy

The cyber security strategy defines the objectives and priorities to direct and coordinate investment initiatives for the Group as a whole, and to ensure adherence to cyber security policies, setting targets, management reporting, and constant monitoring of ongoing security activities.

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

Devising strategies is an iterative activity based on sharing

and consolidation of the Group's risk posture target. The various actors involved analyze the options and potential initiatives within their respective business areas in order to assess the feasibility and guarantee consensus and the necessary funds. The Cyber Security unit guides the process and, together with the other key players, gradually consolidates aspects such as future scenario, objectives and possible strategic initiatives in a cyber security strategy proposal document, with a high-level budget estimate and prioritization.

## Cyber security incident management

The multiplicity and complexity of the areas in which the Group 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) increasingly integrated into the Group’s digital life, have made it necessary to configure a structured cyber security system. This leads to the need for a 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 remote control of power plants) and the IoT (extension of communication and Artificial Intelligence to the world of things).

Through the monitoring systems, CERT collects 5 billion events every day relating to the Company’s assets from 5 thousand data sources, correlates them through automatic analysis and on average produces daily 300 “incidents”. These incidents are classified based on the Enel Cyber Impact Matrix (on a scale of 0 to 4), making use of the best events correlation capabilities thanks to the adoption of highly advanced services.

The vast majority of “incidents” are classified as **0/1**. These have no significant impact on Group systems and are automatically or semi-automatically blocked and/or managed by the existing Company defenses. In this way they are able to prevent and/or mitigate the impact of potential cyber-attacks. Incidents classified as **2/3/4** have a potential impact on the Group and are managed by CERT analysts, involving any stakeholders affected. Thanks to

the protection services, each day in 2023 **CERT blocked on average 1.1 million at risk emails, 46 viruses, 206 web portal attacks, and 1.6 million connections to harmful websites.**

During 2023 Enel’s CERT replied to **48 cyber security incidents with impact level 2; 2 incidents with impact level 3; and 0 incidents with impact level 4, the highest one.**

In the cases detected, to ensure an efficient and rapid response and minimize the impact on people, services and assets, all the relevant management procedures have been put in place. Specifically, when a cyber security incident becomes a potential data breach, the necessary actions are taken immediately, in line with the Enel Group “**Data Breach Management**” policy. Should a crisis situation arise that threatens the Group’s business continuity, assets, reputation and/or profitability, the appropriate actions are taken immediately, in line with the specific Group policy on “Critical events management”.

Moreover, the “**IT Service Continuity Management**” policy formalizes a process to bring the risk affecting the availability of IT infrastructure down to an acceptable level, support business continuity requirements, and restore IT services based on the results deriving from a Business Impact Analysis when a severe interruption occurs, including when it is caused by an accident.

Below are given the details for the number of cyber security events recorded in 2023.

	2023
Total number of cyber security breaches or other cyber security incidents <sup>(1)</sup>	0
Total number of customers, consumers and employees impacted by data breaches affecting the Group <sup>(2)</sup>	0

(1) The value reported for the KPI “Total number of cyber security breaches or other cyber security incidents” refers to level 4 cyber incidents (not including possible violations deriving from “non digital” incidents).

(2) The value for the number of the KPI “Total number of customers, consumers and employees impacted by data breaches affecting the Group” concerns the number of customers, consumers and employees affected by level 4 cyber incidents.

## Main projects and initiatives

All cyber security projects, programs and initiatives are designed to avoid, mitigate or remediate cyber security risks for the entire Group. As a result, all activities are managed with a risk-based approach following the security

by design principle to ensure a continuous due diligence process that also includes self-assurance activities. The most notable projects are detailed below.



### CYBER EXERCISES

Over the past few years, cyber exercises have become an integral part of activities aimed at **preventing, responding to and managing cyber incidents**.

These are specifically periodic exercises carried out by simulating **real cyber attacks** (without impact on systems or limitation to normal operations) and involve both technical facilities and relevant

businesses. The simulations performed aim to train the responsiveness of stakeholders, verify processes and technologies in the field, meet regulatory requirements and generate awareness, thereby targeting any needs for improvement of technical and/or organizational aspects. Simulations are at all times followed by an assessment that aims to analyze their outcomes, from a quantitative and qualitative point of view, providing possible **“lessons learned”** insights where necessary. During 2023, **67 cyber exercises** were carried out globally. This confirms the extent to which this activity has become an established practice in the Group.



### CYBER SECURITY GLOBAL REGULATORY COMPLIANCE

In recent years, there has been **an evolution of the legal and regulatory landscape in cyber security**, including in terms of the complexity of regulations. The latter require cross-cutting fulfillments and at the same time improvements in governance, technical-specific requirements, periodic audits, critical event notifications, and constraints and provisions in the procurement of goods and services, with continuous verification and adjustment processes over time. To handle this complexity and streamline initiatives to **achieve compliance in the area of critical infrastructure** in the countries where the Group

is present, Enel has designed and managed a **structured program to analyze, adapt and monitor globally the regulatory requirements of different compliance**, ensuring and increasingly involving the Business Lines. The program has identified **common global processes and tools**, which have been implemented to meet both the common requirements of all compliance issues and the specifics of local regulations.

To support this process, an information system named, the **“Cyber Security Global Regulatory Compliance Scheme”**, has been designed and implemented to analyze the numerous regulatory requirements with respect to the Group’s Cyber Security Framework, identifying any gaps there may be both at the individual country regulatory level and at Group level.

With such a tool, it is possible to effectively and efficiently identify compliance measures to be managed and monitored in the Cyber Security Regulatory Compliance program.



## PLAYBOOK ISO27001 – CERTIFICATION TO ISO STANDARD

Enel has seized on the growing interest in the market for **ISO 27001 Information Security Certification**. Indeed, it has initiated certification paths to this ISO standard by achieving it already for several Legal Entities. Specifically, **Enel X, Enel X Way, Gridspertise, Enel Grids** and **Enel Global Services** have achieved an important milestone for the Group's cyber security by obtaining ISO 27001 certification. This important achievement certifies the information security

management system for **core processes**, with a view to delivering trusted products and services to customers. Given the Group's complexity, beginning from the experiences gained in leading the path to certification to ISO 27001 standard of the Group's various Legal Entities, a **digital management tool** was designed that makes the achievement of certification **efficient, repeatable, scalable and sustainable**. The tool, called the **ISO 27001 Playbook**, achieves an **operational benchmark for the Group**, indicating key information to be prepared during certification and providing a map of Group requirements and processes. Specifically, the Playbook also equips Legal Entities with a map of manager references and evidence of the Group's cross-cutting processes, enhancing and optimizing both the specificities of the Business Lines and the effort of the Global Areas that serve the Group transversally.

## Collaborations with external bodies and agencies

The network of relations with external entities and organizations is a key element in the cyber security strategy, to share best practices and operational models, develop and strengthen information sharing channels, and help establish standards and regulations. Feedback was provided during 2023 to promote the standardization of the current cyber security regulatory landscape and the adoption of a risk-based approach and the principle of security by design. This is in view of the difficulties in managing cyber security regulations globally, which are characterized by great heterogeneity in security requirements and methods of implementation. Taking into account the context of regulatory compliance, **no cases of non-compliance with standards or cyber security regulations were detected in 2023**.

In recent years, a solid network has been established and developed by interacting with key stakeholders in the energy sector such as ANEEL (Agência Nacional de Energia Elétrica) and ONS (Operador Nacional do Sistema Elétrico) in Brazil and CNO (Consejo Nacional de Operación) in Colombia. In 2023, the Group represented **Eurelectric** to support the European Commission in the harmonization of cyber security legislation and standards within the Energy and Critical Infrastructure sector.

In Italy, a communication channel has also been established with the **Agenzia per la Cybersicurezza Nazionale ACN** (Agency for national cybersecurity) to address cyber

security challenges. More specifically, Enel is among the four **pilot companies** that have participated in the project aimed at the implementation of the **Hyper SOC** (Security Operations Center), e.g., an infrastructure for the collection, correlation and analysis of events of interest, with the goal of rapidly identifying emerging threats and coordinating responses to deal with them effectively. As a result of this initiative, the first achievement was the activation of the real-time information interchange portal with the ACN to intercept possible complex attack patterns at an early stage.

In addition, thanks to cooperation with other external partners, the **Cyber Harbour** was inaugurated. This is an innovation center that brings together cyber security experts, companies, investors and academia to foster the realization of innovative and competitive projects in the field of cyber security for the benefit of Italy's economic and political system.

In addition, Enel has participated in World Economic Forum working groups and contributed in recent years to the publication of several reports, including "Cyber Resilience in the Electricity Ecosystem: Securing the Value Chain", "Cyber Resilience in the Electricity Industry: Analysis and Recommendations on Regulatory Practices for the Public and Private Sectors" and "Cyber Resilience in the Electricity Industry: Facilitating Global Interoperability of Cyber Regulations in the Electricity Sector".



## Training and information

The “**Cyber Security Awareness Program**” has become a constant and ongoing initiative at Group level. It is used to disseminate a cyber security culture and raise awareness of threats and attacks that exploit the human vector. Indeed, this program contributes to digitalization, in that it creates a culture of IT security, changes the behavior of people in order to reduce the cyber risk, develops technical IT security skills and makes people the first line of Company defense against cyber attacks. It uses various communication channels and dissemination tools, including both communication campaigns as well as dedicated

training initiatives for clusters of people. Specifically, 19 knowledge sharing events were held in 2023 on a Global level on the issues of cyber security and various initiatives were also held at local level to disseminate and increase the culture of cyber security, with the objective of changing people’s behavior so as to reduce cyber risks. Awareness initiatives were executed through “TheRedPill”, the unique Group-wide platform through which the “People Cyber Empowerment Journey” program (consisting of simulated phishing campaigns and awareness modules) is executed.



### “THEREDPILL”

In 2023, cyber security awareness initiatives were continued globally through the Group’s awareness platform “**TheRedPill**”. The aim of this platform is to generate and enhance awareness of key cyber issues, address any upskilling and reskilling needs, and teach people how to defend themselves against cyber attacks. In particular, **simulated phishing campaigns** (8 in 2023) proceeded targeting the entire

Enel corporate population and **19 events were held to spread the culture of cyber security**. Within the “People Cyber Empowerment Journey” awareness program, launched in 2022, all of the 12 awareness campaigns planned were defined and launched. Specific initiatives were also launched for **new hires**, with the goal of promoting cyber security awareness from the early days of employment. These include the “**Cyber Security Essentials**” course, designed to provide the knowledge needed to address cyber security challenges and promote digital awareness, an **Anti-Phishing Module** to recognize possible e-mails with malicious content, and the inclusion of specific contents related to cyber security in the Company’s “**Welcome Book**”.



# 5.

## APPENDIX

- **5.1 Methodological note**

- **5.2 Performance indicators**

- **5.3 Content Index**

- GRI and ESRS interoperability
- SASB
- TCFD
- Sustainable finance disclosure regulation (PAI)

- **5.4 European Taxonomy**

- **5.5 Sustainable Finance**

- Green Bond Report
- Sustainability-Linked Financing Report

# METHODOLOGICAL NOTE

| 2-1 | 2-2 | 2-3 | 2-4 | 2-5 | 2-29 | 3-1 | 3-2 |

Enel has published a Sustainability Report each year since 2003, at the same time as the Group's Integrated 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 has constituted 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, 2023 was therefore drawn up in compliance with Italian 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 the Enel website ([www.enel.com](http://www.enel.com)).

The Sustainability Report 2023 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. It provides a complete overview of the most

significant impacts on the economy, the environment and on the people of the Enel Group, including on human rights and how the Group manages these impacts.

Compared to previous years, the structure of the document has been redefined by rearranging into 3 main sections (environmental, social and governance) (ESG) the chapters that report the Group's sustainability performance against material topics also in accordance with the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG). In addition, as of this year, reporting on a just transition has been incorporated together with reporting on climate change into one chapter, namely, "Zero emissions ambition and just transition".

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 chapter "Stakeholder engagement and materiality analysis").

The following table shows the areas required by Italian Legislative Decree 254/16, specifying the document chapter in which they are discussed.

Information and in-depth analyses on the issues and indicators presented in this Report can be requested from:

**Enel SpA**  
**Direzione "Enel Grids and Innovability"**  
**Sustainability**  
Via Mantova, 24  
00198 Rome - Italy  
Tel +39 06 83051  
E-mail [sustainability@enel.com](mailto:sustainability@enel.com)  
Web <https://www.enel.com/investors/>

<b>Topic of the Report/ Legislative Decree 254/16</b>	<b>Topic of the materiality analysis</b>	<b>Report Chapter</b>	<b>Risks</b>	<b>Policies and management models</b>	<b>Activities and results</b>
ENVIRONMENT	<b>Decarbonization of the energy mix</b>	Zero emissions ambition and just transition	Chapter "Zero emissions ambition and just transition"	Chapter "Zero emissions ambition and just transition"	Chapter "Zero emissions ambition and just transition"
	<b>Conservation of ecosystems and environmental management</b>	Roadmap towards natural capital conservation	Chapter "Sound governance"	Chapter "Roadmap towards natural capital conservation"	Chapter "Roadmap towards natural capital conservation"
SOCIAL	<b>Engaging global and local communities</b>	Engaging communities	Chapter "Sound governance"	Chapter "Engaging communities"	Chapter "Engaging communities"
	<b>Sustainable supply chain</b>	Sustainable supply chain	Chapter "Sound governance"	Chapter "Sustainable supply chain"	Chapter "Sustainable supply chain"
EMPLOYMENT AND LABOR-RELATED	<b>People management, development and motivation</b>	Enel people	Chapter "Sound governance"	Chapter "Enel people"	Chapter "Enel people"
	<b>Occupational health and safety</b>	Health and safety of people	Chapter "Sound governance"	Chapter "Health and safety of people"	Chapter "Health and safety of people"
HUMAN RIGHTS	<b>Sound governance and fair corporate conduct</b>				
	<b>People management, development and motivation</b>				
	<b>Engaging global and local communities</b>	Managing human rights Sound governance	Chapter "Sound governance"	Chapters "Managing human rights" and "Sound governance"	Chapters "Managing human rights" and "Sound governance"
	<b>Conservation of the ecosystems and environmental management</b>				
	<b>Sustainable supply chain</b>				
ACTIVE AND PASSIVE FIGHT AGAINST CORRUPTION	<b>Sound governance and fair corporate conduct</b>	Sound governance	Chapter "Sound governance"	Chapter "Sound governance"	Chapter "Sound governance"

## How this document has been constructed

The Sustainability Report 2023 was prepared in compliance with the reporting standards “Consolidated set of GRI Standards” defined by GRI in 2021 with the inclusion of the GRI Universal Standard 2021, and also considering the Electric Utilities Disclosure supplement dedicated to the sector issued in 2013, also by GRI and still applicable today. 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. This information, in compliance with standard GRI 1: Foundation 2021, 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, paragraph 3, which the directors decided to adopt organically in order to fully represent the social and environmental topics – in compliance with the mentioned decree – of significance for the Enel Group in consideration of the Group structure, the specific business sectors, and the reference geographical areas.

The Appendix to the Sustainability Report also contains specific tables of reconciliation with the indicators proposed by the Sustainability Accounting Standards Board (SASB – in relation to Enel’s core business area in the Electric Utilities & Power Generators Sector). Starting from 2022, a specific table is attached that links the topics and information required by the European Regulation that regulates disclosures in the area of Sustainable Finance Disclosure Regulation (SFDR). The Sustainability Report 2023 also responds to the qualitative indications of the Task Force on Climate-related Financial Disclosures (TCFD) and the UN Guiding Principles Reporting Framework. The alignment is pointed out in the TCFD Content Index, which includes the section of the financial statements that cover the qualitative disclosure requests of the TCFD. Finally, as of 2021, a cross-correlation index linking the principles of the Group’s Human Rights Policy with the content of the Report, also broken down into specific aspects by category of stakeholder, was also included, initially as an appendix to the Report and from this year included directly within the chapter on Managing human rights.

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. In defining its corporate reporting method, the Enel Group has been inspired by the so-called “Core&More” approach. This mode of representation aims to divide the financial and sustainability information on the basis of the interests of the various stakeholders, between a main document, “Core Report”, which contains the information of interest to most of the main stakeholders, and several supplementary documents, “More Reports”, which, conversely, respond to the needs of specific stakeholders for more detailed information on specific issues.

In this respect, the Enel Group has designed its corporate reporting system to serve stakeholders in a connected, logical and structured manner. Furthermore and by developing its own concept for presenting economic, social, environmental and governance information, in line with specific regulations, benchmark recommendations and international best practices. Enel’s Integrated Annual Report represents the “Core” document of the integrated corporate reporting system. “More Reports”, on the other hand, include greater detail and supplementary information compared to the Core Report, the information of which is also linked to the Core Report through cross reference.

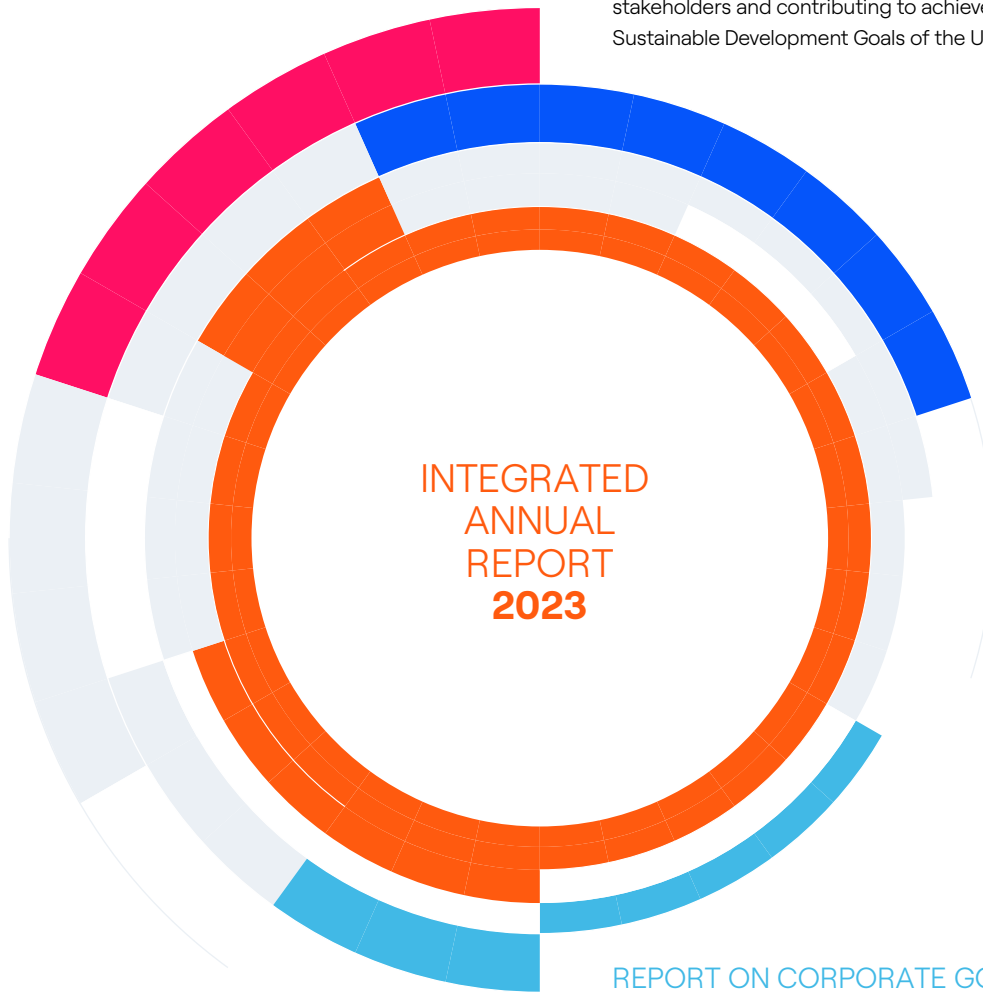
The content formulation process was based on the principles of relevance (or “materiality”), stakeholder inclusivity, sustainability context and completeness of the data and information: Enel provides concise information on its performance in specific sections of the Sustainability Report (see the sections “Enel’s commitment to sustainable development” and “Performance 2023”). These chapters also contain descriptions 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 accuracy, balance, clarity, completeness, sustainability context, timeliness, and verifiability.

## 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 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



### INTEGRATED ANNUAL REPORT 2023

## REPORT ON CORPORATE GOVERNANCE AND 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

## REPORT ON THE REMUNERATION POLICY

This describes the Enel remuneration system, as provided for by Article 123 *ter* of the Consolidated Law on Financial Intermediation

This report is also compliant with the AccountAbility AA1000 Stakeholder Engagement Standard (AA1000SES), and also took into account the established ESRS sustainability standards – General Requirements ESRS sustainability reporting standards prepared by EFRAG (European Financial Reporting Advisory Group), applicable as of 2024, as well as the Value Reporting Foundation – Sustainability Accounting Standards Board (SASB) standard.

Finally, the main UN SDGs are referenced in the various chapters, in accordance with the instructions in “Linking the SDGs and the GRI standards” published by GRI in January 2021, and SDG Compass, the guide published in November 2015 and developed by GRI, UN Global Compact and the World Business Council for Sustainable Development (WBCSD) to help companies align their strategies with the SDGs and measure and manage their contribution to the goals.

# Reconciliation of the topics of the materiality analysis and GRI Standards

| 3-1 | 3-2 | 3-3 |

The materiality analysis carried out in compliance with standard GRI 3: 2021 made it possible to identify the material topics for the Company. The table contains the codes for the material topics identified with 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, and is provided in the chapter “Stakeholder engagement and materiality analysis”.

## The reporting process

The structure of the Sustainability Report 2023 was developed in accordance with the materiality analysis, focusing more closely on the material topics covered in detail in the dedicated chapters. Likewise, the materiality level of topics – divided in turn into dedicated sub-topics – influenced the level of detail with which to treat each subject and report the associated GRI indicators (GRI Standards and Electric Utilities Sector Disclosure) and also the choice of the most appropriate tools to represent them (2023 Integrated 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 2024–2026 period, as illustrated by the Sustainability Plan (see the section “Enel’s commitment to sustainable development”).

Attached to this Report is the GRI Content Index, which contains a list of the topics covered in this Report and the titles of the GRI Standards from which the reported disclosures are sourced. This year, a reference to the Sustainability Reporting Standards prepared by EFRAG, using the GRI-ESRS Interoperability Index, draft version, published in November 2023 jointly by GRI and EFRAG and earmarked for finalization in 2024, has been included in a special column. The website [www.enel.com](http://www.enel.com) should also be consulted for further information, for example regarding innovation projects or the activities of Enel’s foundations and the 2023 *Informe de Sostenibilidad* of Endesa, as well as the Financial Statements of Enel Américas for more details concerning initiatives dedicated to customers and local communities in Spain and Latin America.

## Drafting and assurance

| 2-5 |

The process of reporting and monitoring the Key Performance Indicators (KPIs) relevant to sustainability involves the Holding Company, with regard to transversal topics, and all Group Business Lines, Functions and companies for topics 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 unit, in particular the Planning, Stakeholders and Human Rights unit, which forms part of the Enel Grids and Innovability Function, is responsible for consolidating information and coordinating the entire 2023 Sustainability Report drafting process.

On April 10, 2024, the Report was submitted for analysis and evaluation to the Enel Control and Risk Committee and on April 11 to Enel’s Corporate Governance and Sus-

tainability Committee. It was approved by the Board of Directors on April 11. The document will then be presented to the General Shareholders’ Meeting together with the Group’s Integrated Annual Report.

This Report has been subjected to a limited audit by and independent auditing company, KPMG SpA, engaged also to audit the Enel Group’s Integrated Annual Report. The limited audit was conducted in accordance with international standard ISAE 3000 (Revised) 1 and, accordingly, the Code of Ethics for Professional Accountants, including professional independence and verification of the absence of conflicts of interest that may affect the ethical principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct. As of the 2021 financial year, the audit approach has been extended to include the comprehensive scrutiny (reasonable



assurance) of a set relevant indicators, equal to 19 KPI for 2023, submitted to the Group's System of Internal Control over Financial, Tax and Non-Financial Reporting. This activity aims to obtain greater security regarding the selected indicators as compared to indicators and other information subject to limited scrutiny. It also makes it possible to guarantee to the various stakeholders of the Sustainability Report greater reliability of the topics and information that the Report contains. The conclusions of the reasonable assurance activity are set out in the Mixed Audit Report on Enel's NFS and on the selection of 19 indicators, issued in accordance with Art. 3, paragraph 10 of Italian Legislative Decree 254/16 in compliance with ISAE 3000 Revised, and in compliance with the provisions of the Consob Regulations and the guidelines issued by the professional bodies concerned (*i.e.*, ASSIREVI). The said report, which contains a detailed description of the principles adopted, activities performed and conclusions reached, is attached hereto. The 19 indicators subjected to reasonable assurance are indicated below.

#### **Climate change**

1. Direct emissions Scope 1
2. Scope 2 emissions – market based
3. Scope 2 emissions – location based
4. Absolute Scope 3 GHG emissions relating to Gas Retail
5. Scope 1 GHG emissions Intensity relating to Power Generation
6. Scope 1 and 3 GHG emissions Intensity relating to Integrated Power

#### **Occupational safety**

7. No. of fatalities – Enel
8. No. of fatalities – Contractors
9. Lost Time Injury Frequency Rate with absence from work of more than 3 days – Enel

10. Lost Time Injury Frequency Rate with absence from work of more than 3 days – Contractors
11. Frequency rate of total injuries – Enel
12. Frequency rate of total injuries – Contractors

#### **Gender diversity**

13. Percentage of female managers and middle managers
14. Percentage of women in the managerial succession and top managerial plans

#### **Other KPIs**

15. Current Income Tax Rate
16. Confirmed violations of the Code of Ethics by type, stakeholder, country
17. SAIDI – System Average Interruption Duration Index
18. Commercial complaints on the Group level
19. Renewable Installed Capacity Percentage

In addition, the report on the green bond, also subjected to limited scrutiny by KPMG SpA according to the criteria indicated in standard ISAE 3000, is annexed to this Report; the related audit report is supplied as an attachment to this Sustainability Report. The Statement of the proportion of activities considered eco-sustainable (Art. 8, Reg. EU 852).

Finally, GHG Inventory Statements, available on the website, 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, 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 14064-3 for compliance of greenhouse gas (GHG) inventories with the WBCSD/WRI Corporate Accounting and Reporting Standard (GHG Protocol).

# Report boundaries

| 2-2 | 2-3 | 2-4 | 2-5 | 2-6 | 3-2 |

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, 2023, 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<sup>(1)</sup>, 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 2023, for which, on the basis of prevailing practice, as also represented in the Consob report of January 19, 2018<sup>(2)</sup>, it was decided to begin consolidation, with regard to some of the areas covered in this document, with effect from 2023, 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 2023 were:

- divestment of thermoelectric generation assets in Argentina;
- finalization of the joint venture agreement with INPEX Corporation for the sale of 50% of Enel Green Power Australia;
- completion of the sale of a portfolio of photovoltaic plants in Chile to Sonnedix;
- conclusion of the sale of the Group's activities in Romania to PPC;
- finalization of the sale of 50% of Enel Green Power Hellas to Macquarie Asset Management.

For more detailed information on the changes, reference should be made to the 2023 Integrated Annual Report in the paragraphs "Main changes in the scope of consolidation" and "Significant events in 2023".

If the associated companies (measured at equity in the Integrated 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. Please refer to the 2023 Integrated Annual Report for details of the companies included the scope of consolidation.

In this document, 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 2022 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 2022, 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 2023 and 2022, in absolute and percent terms, have been calculated considering decimal places in some cases not visible in the printed document. In the tables containing quantitative data, percent changes in excess of |100%| are indicated by "-".

(1) A "joint operation" is a joint-control arrangement in which the parties that hold joint control have rights to the assets and obligations for the liabilities associated with the arrangement.  
(2) Illustrative report on the results of the consultation and the consequences for regulation, the activities of companies and operators and the interests of investors and savers.

# Performance indicators

Key sustainability performance indicators are presented from page 372 to page 409 and form an integral part of this Sustainability Report.

## Units of measure

- ,000 thousands
- ,000 d thousands of days
- ,000 h thousands of hours
- ,000 t thousands of tons
- % percentage
- billions of m<sup>3</sup> billions of cubic meters
- cent euros eurocents
- dd days
- g/kWh grams per kilowatt hour
- g/kWh eq grams per equivalent kilowatt hour<sup>(3)</sup>
- GBq per unit gigabecquerels per unit
- GW gigawatts
- GWh gigawatt hours
- h hours
- h/per-cap hours *per capita*
- i index
- kg kilograms
- km kilometers
- kWh kilowatt hours
- kWh eq equivalent kilowatt hours
- kWh/t kilowatt hours per ton
- kWp peak kilowatts
- l/kWh liters per kilowatt hour
- l/kWh eq liters per equivalent kilowatt hour
- 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<sup>3</sup> millions of cubic meters
- mil t millions of tons
- mil t eq – Mt<sub>eq</sub> millions of equivalent tons
- min minutes
- MJ/kWh eq megajoules per equivalent kilowatt hour
- ML megaliters
- 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
- years years

## Acronyms

- BESS Battery Energy Storage System
- BoD Board of Directors
- BOD Biochemical Oxygen Demand
- CCGT Combined Cycle Gas Turbine
- CERT Cyber Emergency Readiness Team
- COD Chemical Oxygen Demand
- CSR Corporate Social Responsibility
- CSV Creating Shared Value
- EBT Earnings Before Tax
- EBIT Earnings Before Interest and Tax
- EBITDA Earnings Before Interest, Tax, Depreciation and Amortization
- EIB European Investment Bank
- ESG Environmental Social & Governance
- EGP Enel Green Power
- EPS Earnings per Share
- HV High Voltage
- LV Low 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
- SDG Sustainable Development Goal
- S&P Standard & Poor's
- SRI Socially Responsible Investor
- TCFD Task Force on Climate-related Financial Disclosures
- TSR Total Shareholder Return
- UN United Nations

(3) Corresponding to the sum of electricity and heat.

# PERFORMANCE INDICATORS

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The key sustainability performance indicators are presented below and form an integral part of this Sustainability Report.

# Enel's commitment to sustainable development

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>EU1</b>	<b>GENERATION</b>							
	<b>Installed capacity</b>							
	<b>Net efficient generation capacity by primary energy source</b>							
	<b>Thermal net capacity:</b>	(MW)	<b>22,553</b>	<b>27,689</b>	<b>33,664</b>	-5,136	-18.5	Enel
	Carbone	(MW)	4,627	6,590	6,910	-1,963	-29.8	Enel
	CCGT	(MW)	11,983	13,894	15,039	-1,911	-13.8	Enel
	Olio/gas	(MW)	5,942	7,204	11,715	-1,262	-17.5	Enel
	<b>Nuclear net capacity</b>	(MW)	<b>3,328</b>	<b>3,328</b>	<b>3,328</b>	-	-	Enel
	<b>Renewable net capacity:</b>	(MW)	<b>55,536</b>	<b>53,561</b>	<b>50,066</b>	1,975	3.7	Enel
	Hydroelectric	(MW)	28,340	28,355	27,847	-15	-0.1	Enel
	Wind	(MW)	15,853	15,735	14,903	118	0.7	Enel
	Geothermal	(MW)	931	931	915	-	-	Enel
	Biomass and cogeneration	(MW)	6	6	6	-	-	Enel
	Photovoltaic	(MW)	10,407	8,534	6,395	1,873	21.9	Enel
	<b>Total net electrical capacity</b>	(MW)	<b>81,417</b>	<b>84,578</b>	<b>87,058</b>	-3,161	-3.7	Enel
	<b>Net efficient generation capacity by geographic area</b>							
	<b>Italy</b>	(MW)	<b>26,030</b>	<b>26,252</b>	<b>25,609</b>	-222	-0.8	Italy
	<b>Iberia</b>	(MW)	<b>21,247</b>	<b>22,044</b>	<b>21,140</b>	-797	-3.6	Iberia
	<b>Latin America</b>	(MW)	<b>23,073</b>	<b>24,524</b>	<b>23,903</b>	-1,451	-5.9	Latin America
	Chile	(MW)	8,444	8,409	7,973	35	0.4	Chile
	Argentina	(MW)	1,328	4,419	4,419	3,091	69.9	Argentina
	Colombia	(MW)	4,039	3,711	3,589	328	8.8	Colombia
	Peru	(MW)	2,589	2,255	2,294	334	14.8	Peru
	Brazil	(MW)	5,968	5,071	4,981	897	17.7	Brazil
	Costa Rica	(MW)	81	81	81	-	-	Costa Rica
	Guatemala	(MW)	162	164	164	-2	-1.2	Guatemala
	Panama	(MW)	462	415	401	47	11.3	Panama
	<b>North America</b>	(MW)	<b>10,335</b>	<b>9,532</b>	<b>7,941</b>	803	8.4	North America
	<b>Europe</b>	(MW)	<b>4</b>	<b>1,020</b>	<b>6,524</b>	-1,016	-99.6	Europe
	<b>Africa, Asia and Oceania</b>	(MW)	<b>729</b>	<b>1,206</b>	<b>1,941</b>	-477	-39.6	Africa, Asia and Oceania
	<b>Total net electrical capacity</b>	(MW)	<b>81,417</b>	<b>84,578</b>	<b>87,058</b>	-3,161	-3.7	Enel
	<b>Power generation plants</b>							
	Thermoelectric plants <sup>(1)</sup>	(no.)	58	63	69	-5	-7.9	Enel
	Coal plants	(no.)	5	7	8	-2	-28.6	Enel
	CCGT plants	(no.)	17	20	23	-3	-15.0	Enel
	Oil/gas plants	(no.)	36	44	48	-8	-18.2	Enel
	<b>Nuclear plants</b>	(no.)	<b>4</b>	<b>4</b>	<b>4</b>	-	-	Enel
	<b>Renewable energy plants</b>	(no.)	<b>1,272</b>	<b>1,234</b>	<b>1,187</b>	38	3.1	Enel
	Hydroelectric plants	(no.)	766	765	739	1	0.1	Enel
	Wind plants	(no.)	265	266	266	-1	-0.4	Enel
	Photovoltaic plants	(no.)	184	162	141	22	13.6	Enel
	Geothermal plants	(no.)	39	39	39	-	-	Enel
	Biomass plants	(no.)	2	2	2	-	-	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	BESS plants	(no.)	16	-	-	-	-	Enel
<b>OPERATING RESULTS</b>								
<b>EU2</b>	<b>GENERATION</b>							
	<b>Net production by primary energy source</b>							
	<b>Thermal net production</b>	(GWh)	<b>55,480</b>	<b>88,811</b>	<b>88,285</b>	-33,331	-37.5	Enel
	Coal	(GWh)	10,755	19,722	13,858	-8,967	-45.5	Enel
	CCGT	(GWh)	36,705	54,436	51,718	-17,731	-32.6	Enel
	Oil/natural gas	(GWh)	8,021	14,652	22,709	-6,631	-45.3	Enel
	<b>Nuclear net production</b>	(GWh)	<b>24,865</b>	<b>26,508</b>	<b>25,504</b>	-1,643	-6.2	Enel
	<b>Renewable net production:</b>	(GWh)	<b>126,985</b>	<b>112,448</b>	<b>108,817</b>	14,537	12.9	Enel
	Hydroelectric	(GWh)	60,991	51,728	57,001	9,263	17.9	Enel
	Wind	(GWh)	45,339	43,255	37,791	2,084	4.8	Enel
	Geothermal	(GWh)	6,001	6,117	6,086	-116	-1.9	Enel
	Biomass and cogeneration	(GWh)	42	43	40	-1	-2.3	Enel
	Photovoltaic	(GWh)	14,613	11,306	7,899	3,307	29.2	Enel
	<b>Total net production</b>	(GWh)	<b>207,330</b>	<b>227,767</b>	<b>222,605</b>	-20,437	-9.0	Enel
	<b>Net production by geographic area</b>							
	<b>Italy</b>	(GWh)	<b>42,601</b>	<b>48,460</b>	<b>47,964</b>	-5,859	-12.1	Italy
	<b>Iberia</b>	(GWh)	<b>60,264</b>	<b>64,715</b>	<b>57,592</b>	-4,451	-6.9	Iberia
	<b>Latin America</b>	(GWh)	<b>74,750</b>	<b>75,594</b>	<b>70,376</b>	-844	-1.1	Latin America
	Chile	(GWh)	24,122	22,215	19,034	1,907	8.6	Chile
	Argentina	(GWh)	4,459	11,121	13,099	-6,662	-59.9	Argentina
	Colombia	(GWh)	15,959	13,663	13,241	2,296	16.8	Colombia
	Peru	(GWh)	10,394	9,615	9,585	779	8.1	Peru
	Brazil	(GWh)	17,625	16,608	12,713	1,017	6.1	Brazil
	Costa Rica	(GWh)	233	216	198	17	7.9	Costa Rica
	Guatemala	(GWh)	561	659	548	-98	-14.9	Guatemala
	Panama	(GWh)	1,398	1,498	1,958	-100	-6.7	Panama
	<b>North America</b>	(GWh)	<b>25,611</b>	<b>23,385</b>	<b>20,356</b>	2,226	9.5	North America
	<b>Europe</b>	(GWh)	<b>2,151</b>	<b>12,513</b>	<b>23,736</b>	-10,362	-82.8	Europe
	<b>Africa, Asia and Oceania</b>	(GWh)	<b>1,953</b>	<b>3,099</b>	<b>2,580</b>	-1,146	-37.0	Africa, Asia and Oceania
	<b>Total net production</b>	(GWh)	<b>207,330</b>	<b>227,767</b>	<b>222,605</b>	-20,437	-9.0	Enel
	<b>Development of renewables</b>							
	New renewable power <sup>(2)</sup> :	(MW)	4,032.2	4,958.5	5,175.9	-926.3	-18.7	Enel
	Hydroelectric	(MW)	3.2	556.6	33.0	-553.4	-99.4	Enel
	Wind	(MW)	1,152.5	1,826.6	2,596.3	-674.1	-36.9	Enel
	Geothermal	(MW)	-	16.6	32.7	-16.6	-100.0	Enel
	Biomass and cogeneration	(MW)	-	-	0.5	-	-	Enel
	Photovoltaic	(MW)	2,876.5	2,558.7	2,513.0	317.8	12.4	Enel
	<b>NETWORK</b>							
<b>EU4</b>	<b>Total electricity distribution network</b>	(km)	<b>1,899,419</b>	<b>2,024,038</b>	<b>2,233,368</b>	-124,619	-6.2	Enel
	Total high-voltage network	(km)	34,011	40,566	46,860	-6,555	-16.2	Enel
	- of which underground cable	(km)	1,448	1,748	1,529	-300	-17.2	Enel
	Total medium-voltage network	(km)	687,051	717,992	891,221	-30,941	-4.3	Enel
	- of which underground cable	(km)	218,679	230,216	212,077	-11,537	-5.0	Enel
	Total low-voltage network	(km)	1,178,356	1,265,480	1,295,287	-87,124	-6.9	Enel
	- of which underground cable	(km)	389,853	410,142	387,314	-20,289	-4.9	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>EU4</b>	<b>Electricity distribution network by geographic area</b>							
	<b>Total electricity distribution network Italy</b>	(km)	<b>1,167,219</b>	<b>1,165,131</b>	<b>1,151,482</b>	2,088	0.2	Italy
	High-voltage network	(km)	20	20	19	-	-	Italy
	- of which underground cable	(km)	3	3	3	-	-	Italy
	Medium-voltage network	(km)	363,719	361,775	348,699	1,944	0.5	Italy
	- of which underground cable	(km)	159,899	157,618	154,983	2,281	1.4	Italy
	Low-voltage network	(km)	803,480	803,336	802,764	144	-	Italy
	- of which underground cable	(km)	279,763	279,646	279,325	117	-	Italy
	<b>Total electricity distribution network Iberia</b>	(km)	<b>319,136</b>	<b>317,829</b>	<b>316,506</b>	1,307	0.4	Iberia
	High-voltage network	(km)	19,711	19,763	19,713	-52	-0.3	Iberia
	- of which underground cable	(km)	813	807	805	6	0.7	Iberia
	Medium-voltage network	(km)	115,070	114,673	114,336	397	0.3	Iberia
	- of which underground cable	(km)	42,130	41,747	41,362	383	0.9	Iberia
	Low-voltage network	(km)	184,356	183,393	182,457	963	0.5	Iberia
	- of which underground cable	(km)	88,277	87,430	86,639	88,277	-	Iberia
	<b>Total electricity distribution network Latin America</b>	(km)	<b>413,064</b>	<b>407,962</b>	<b>633,047</b>	5,102	1.3	Latin America
	High-voltage network	(km)	14,280	14,252	20,600	28	0.2	Latin America
	- of which underground cable	(km)	632	623	721	9	1.4	Latin America
	Medium-voltage network	(km)	208,263	205,450	392,255	2,813	1.4	Latin America
	- of which underground cable	(km)	16,650	16,202	15,732	448	2.8	Latin America
	Low-voltage network	(km)	190,521	188,260	220,192	2,261	1.2	Latin America
	- of which underground cable	(km)	21,813	21,612	21,350	201	0.9	Latin America
	Distributed energy <sup>(3)</sup>	(TWh)	489.2	507.5	510.6	-18.3	-3.6	Enel
	<b>SALES</b>							
	<b>Volumes of electricity sold</b>							
	<b>Italy</b>	(GWh)	<b>87,239</b>	<b>97,195</b>	<b>92,768</b>	-9,956	-10.2	Italy
	- of which free market	(GWh)	75,225	78,334	65,577	-3,109	-4.0	Italy
	- of which regulated market	(GWh)	12,014	18,861	27,191	-6,847	-36.3	Italy
	<b>Iberia</b>	(GWh)	<b>77,688</b>	<b>79,003</b>	<b>79,458</b>	-1,315	-1.7	Iberia
	- of which free market	(GWh)	70,173	70,793	68,753	-620	-0.9	Iberia
	- of which regulated market	(GWh)	7,515	8,210	10,705	-695	-8.5	Iberia
	<b>Romania</b>	(GWh)	<b>6,749</b>	<b>9,816</b>	<b>9,294</b>	-3,067	-31.2	Romania
	- of which free market	(GWh)	6,749	9,809	9,036	-3,060	-31.2	Romania
	- of which regulated market	(GWh)	-	7	258	-7	-100.0	Romania
	<b>Latin America</b>	(GWh)	<b>129,177</b>	<b>135,093</b>	<b>127,906</b>	-5,916	-4.4	Latin America
	- of which free market	(GWh)	42,393	39,317	32,593	3,076	7.8	Latin America
	- of which regulated market	(GWh)	86,784	95,776	95,313	-8,992	-9.4	Latin America
	<b>Total volumes of energy sold</b>	(GWh)	<b>300,853</b>	<b>321,107</b>	<b>309,425</b>	-20,254	-6.3	Enel
	- of which free market	(GWh)	194,540	198,253	175,958	-3,713	-1.9	Enel
	- of which regulated market	(GWh)	106,313	122,854	133,467	-16,541	-13.5	Enel
	<b>Volumes sold gas</b>	(bn m <sup>3</sup> )	<b>8.3</b>	<b>10.2</b>	<b>9.9</b>	-1.9	-18.7	Enel
	<b>Italy</b>	(bn m <sup>3</sup> )	<b>4.1</b>	<b>4.7</b>	<b>4.3</b>	-0.6	-12.2	Italy
	- mass market customers	(bn m <sup>3</sup> )	2.8	3.2	2.9	-0.4	-11.2	Italy
	- business customers	(bn m <sup>3</sup> )	1.3	1.6	1.4	-0.2	-14.1	Italy
	<b>Iberia</b>	(bn m <sup>3</sup> )	<b>3.8</b>	<b>4.9</b>	<b>5.2</b>	-1.1	-22.6	Iberia
	<b>Romania</b>	(bn m <sup>3</sup> )	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	-0.1	-29.3	Romania
	<b>Latin America</b>	(bn m <sup>3</sup> )	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	-0.2	-45.9	Latin America

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>ECONOMIC RESULTS</b>								
	<b>Revenues</b>	(mil euros)	<b>95,565</b>	<b>140,517</b>	<b>85,719</b>	-44,952	-32.0	Enel
	<b>Italy</b>	(mil euros)	<b>49,327</b>	<b>83,508</b>	<b>45,417</b>	-34,181	-40.9	Italy
	<b>Iberia</b>	(mil euros)	<b>25,428</b>	<b>32,833</b>	<b>21,052</b>	-7,405	-22.6	Iberia
	<b>Rest of the world<sup>(4)</sup></b>	(mil euros)	<b>21,281</b>	<b>23,874</b>	<b>18,725</b>	-2,593	-10.9	Rest of the world
	Latin America	(mil euros)	18,576	21,334	16,957	-2,758	-12.9	Latin America
	Europe	(mil euros)	239	87	14	152	-	Europe
	North America	(mil euros)	2,142	2,214	1,513	-72	-3.3	North America
	Africa, Asia and Oceania	(mil euros)	338	266	241	72	27.1	Africa, Asia and Oceania
	Eliminations rest of the world <sup>(4)</sup>	(mil euros)	-14	-27	-	13	-48.1	Rest of the world
	Other, eliminations and adjustments	(mil euros)	-471	302	525	-773	-	Other, eliminations and adjustments
	<b>EBITDA</b>	(mil euros)	<b>20,255</b>	<b>19,918</b>	<b>17,233</b>	337	1.7	Enel
	<b>Italy</b>	(mil euros)	<b>10,768</b>	<b>6,307</b>	<b>6,633</b>	4,461	70.7	Italy
	<b>Iberia</b>	(mil euros)	<b>3,679</b>	<b>5,230</b>	<b>4,183</b>	-1,551	-29.7	Iberia
	<b>Rest of the world<sup>(4)</sup></b>	(mil euros)	<b>6,152</b>	<b>7,630</b>	<b>4,932</b>	-1,478	-19.4	Rest of the world
	Latin America	(mil euros)	5,194	6,579	4,143	-1,385	-21.1	Latin America
	Europe	(mil euros)	159	27	-5	132	-	Europe
	North America	(mil euros)	660	940	684	-280	-29.8	North America
	Africa, Asia and Oceania	(mil euros)	139	83	110	56	67.5	Africa, Asia and Oceania
	Eliminations rest of the world <sup>(4)</sup>	(mil euros)	-	1	-	-	-	Rest of the world
	Other, eliminations and adjustments	(mil euros)	-344	751	1,485	-1,095	-	Other, eliminations and adjustments
	<b>Italy</b>	(%)	<b>53.1</b>	<b>31.7</b>	<b>38.5</b>	21.4	-	Italy
	<b>Iberia</b>	(%)	<b>18.2</b>	<b>26.3</b>	<b>24.3</b>	-8.1	-	Iberia
	<b>Rest of the world<sup>(4)</sup></b>	(%)	<b>30.4</b>	<b>38.3</b>	<b>28.6</b>	-7.9	-	Rest of the world
	Latin America	(%)	25.6	33.0	24.0	-7.4	-	Latin America
	Europe	(%)	0.8	0.1	-	0.7	-	Europe
	North America	(%)	3.3	4.7	4.0	-1.4	-	North America
	Africa, Asia and Oceania	(%)	0.7	0.4	0.6	0.3	-	Africa, Asia and Oceania
	Eliminations rest of the world <sup>(4)</sup>	(%)	-	-	-	-	-	Rest of the world
	Other, eliminations and adjustments	(%)	-1.7	3.8	8.6	-5.5	-	Other, eliminations and adjustments
	<b>EBIT<sup>(5)</sup></b>	(mil euros)	<b>7,416</b>	<b>8,677</b>	<b>5,378</b>	-1,261	-14.5	Enel
	<b>Net profit/(loss) for the year (Group and minority interests)<sup>(6)</sup></b>	(mil euros)	<b>4,267</b>	<b>2,920</b>	<b>3,758</b>	1,347	46.1	Enel
<b>Value generated and distributed for stakeholders</b>								
<b>Economic value generated directly:</b>								
	Revenues	(mil euros)	96,159	140,821	85,865	-44,662	-31.7	Enel
	<b>Economic value distributed directly:</b>	(mil euros)	<b>86,868</b>	<b>130,824</b>	<b>78,684</b>	-43,956	-33.6	Enel
	Operating costs	(mil euros)	67,631	114,384	62,063	-46,753	-40.9	Enel
	Personnel and benefit cost	(mil euros)	4,126	3,646	4,296	480	13.2	Enel
	Payment to lenders of capital (shareholders and lenders)	(mil euros)	8,890	7,691	7,409	1,199	15.6	Enel



GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Payments to governments	(mil euros)	6,221	5,103	4,916	1,118	21.9	Enel
	<b>Economic value retained<sup>(7)</sup></b>	(mil euros)	<b>9,291</b>	<b>9,997</b>	<b>7,181</b>	-706	-7.1	Enel
	<b>Investments</b>							
	<b>Total investments<sup>(8)</sup></b>	(mil euros)	<b>12,714</b>	<b>14,347</b>	<b>12,997</b>	-1,633	-11.4	Enel
	<b>Italy</b>	(mil euros)	<b>5,763</b>	<b>4,640</b>	<b>3,842</b>	1,123	24.2	Italy
	<b>Iberia</b>	(mil euros)	<b>2,305</b>	<b>2,316</b>	<b>2,202</b>	-11	-0.5	Iberia
	<b>Rest of the world</b>	(mil euros)	<b>4,419</b>	<b>7,168</b>	<b>6,738</b>	-2,749	-38.4	Rest of the world
	Latin America	(mil euros)	3,302	4,289	3,772	-987	-23.0	Latin America
	Europe	(mil euros)	2	224	456	-222	-99.1	Europe
	North America	(mil euros)	1,096	2,491	2,293	-1,395	-56.0	North America
	Africa, Asia and Oceania	(mil euros)	19	164	217	-145	-88.4	Africa, Asia and Oceania
	Eliminations rest of the world	(mil euros)	-	-	-	-	-	Rest of the world
	Total Abroad	(mil euros)	6,724	9,484	8,890	-2,760	-29.1	Total Abroad
	Adjustments, other, eliminations	(mil euros)	227	223	265	4	1.8	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 figure for new renewable power in 2022 and 2021 includes a more specific determination.
- (3) The distributed electricity figure for 2022 takes into account a more precise determination of the quantities transported.
- (4) With regard to the disclosure by operating segment, it should be noted that, in relation to the presentation of data by secondary segment (country and region), the data relating Latin America, Europe, North America, Africa, Asia and Oceania were included in the "Rest of the world" area.
- (5) The figure for 2022 has been restated to take into account the classification under "discontinued operations" of the "Share of income/(losses) from equity investments accounted for using the equity method" referring to Rusenergosbyt LLC, a Russian company divested in December 2023.
- (6) This year the figure of "Net profit/(loss) for the year (Group and third parties)" was included, while in previous years "Net profit/(loss) from continuing operations (Group and third parties)" was included.
- (7) The amount mainly includes the Total Tax Borne, which represents the total amount paid by the Group (including the Greek and Romanian companies) for taxes that represent a cost for the Group. The 2022 figures include a more specific determination thereof.
- (8) The data does not include investments with reference to the scope classified as "held for sale".

# Business drivers, Customer centricity

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>EU3</b>	<b>RETAIL CUSTOMERS</b>							
	<b>Electricity and gas customers Total</b>	(no.)	<b>61,118,024</b>	<b>66,784,895</b>	<b>69,342,818</b>	-5,666,871	-8.5	Enel
	<b>Electricity market</b>							
	<b>Customers Italy</b>	(no.)	<b>18,559,867</b>	<b>21,382,665</b>	<b>21,824,404</b>	-2,822,798	-13.2	Italy
	Free market	(no.)	11,692,859	11,879,742	10,200,185	-186,883	-1.6	Italy
	Regulated market	(no.)	6,867,008	9,502,923	11,624,219	-2,635,915	-27.7	Italy
	<b>Customers Iberia</b>	(no.)	<b>10,521,874</b>	<b>10,545,281</b>	<b>10,250,657</b>	-23,407	-0.2	Iberia
	Free market	(no.)	6,893,246	6,829,138	5,877,494	64,108	0.9	Iberia
	Regulated market	(no.)	3,628,628	3,716,143	4,373,163	-87,515	-2.4	Iberia
	<b>Customers Latin America<sup>(1)</sup></b>	(no.)	<b>25,867,555</b>	<b>25,392,600</b>	<b>28,253,787</b>	474,955	1.9	Latin America
	Free market	(no.)	7,531	6,871	6,571	660	9.6	Latin America
	Regulated market	(no.)	25,860,024	25,385,729	28,247,216	474,295	1.9	Latin America
	<b>Electricity customers Total</b>	(no.)	<b>54,949,296</b>	<b>60,225,898</b>	<b>63,373,692</b>	-5,276,602	-8.8	Enel
	Free market Total	(no.)	18,593,636	21,618,483	19,103,009	-3,024,847	-14.0	Enel
	Regulated market Total	(no.)	36,355,660	38,607,415	44,270,683	-2,251,755	-5.8	Enel
	<b>Gas market</b>							
	Customers Italy	(no.)	4,339,943	4,581,245	4,165,317	-241,302	-5.3	Italy
	Customers Iberia	(no.)	1,828,762	1,798,737	1,684,369	30,025	1.7	Iberia
	Customers Latin America <sup>(2)</sup>	(no.)	23	22	25	1	4.5	Latin America
	<b>Gas market customers Total</b>	(no.)	<b>6,168,728</b>	<b>6,558,997</b>	<b>5,969,126</b>	-390,269	-6.0	Enel
	<b>PUBLIC LIGHTING</b>							
	<b>Customers public lighting<sup>(3)</sup></b>	(no.)	<b>2,640</b>	<b>2,617</b>	<b>2,792</b>	23	0.9	Italy
	<b>Light sources public lighting</b>	(,000)	<b>3,259</b>	<b>3,023</b>	<b>2,821</b>	236	7.8	Italy
	<b>SERVICE QUALITY</b>							
	<b>ELECTRICITY MARKET ITALY</b>							
<b>2-29</b>	<b>Regulated market</b>							
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(,000)	78.4	104.0	87.4	-25.6	-24.6	Italy
	Response time to written complaints	(dd)	13.0	13.0	11.0	-	-	Italy
	<b>Free market</b>							
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(,000)	193.0	117.0	105.5	76.0	65.0	Italy
	Response time to written complaints	(dd)	18.0	20.0	18.0	-2.0	-10.0	Italy
	<b>ELECTRICITY MARKET IBERIA</b>							
	<b>Free market (formerly no official benchmark rate market)</b>							
	Response time to written complaints	(dd)	43.9	20.1	15.7	23.8	-	Iberia
	<b>Commercial claims</b>	(no./10k customers)	177	212	N/A	-35.0	-16.5	Enel
	<b>ACCESSIBILITY OF ENERGY</b>							
<b>EU27</b>	<b>Customers disconnected for non-payment</b>							
	<b>Market Italy-Electricity</b>							
	<b>by time from disconnection to payment-Regulated market:</b>	(no.)	<b>140,152</b>	<b>208,025</b>	<b>155,390</b>	-67,873	-32.6	Italy

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<48 h	(no.)	68,907	108,161	86,401	-39,254	-36.3	Italy
	48 h - 1 week	(no.)	37,196	50,281	35,347	-13,085	-26.0	Italy
	1 week - 1 month	(no.)	33,768	49,357	33,534	-15,589	-31.6	Italy
	1 month - 1 year	(no.)	281	225	108	56	24.9	Italy
	>1 year	(no.)	-	1	-	-1	-100.0	Italy
	<b>time from payment to reconnection- Regulated market:</b>	(no.)	<b>140,152</b>	<b>208,025</b>	<b>155,390</b>	-67,873	-32.6	Italy
	<24 h	(no.)	132,225	196,604	144,508	-64,379	-32.7	Italy
	24 h - 1 week	(no.)	7,721	11,104	10,657	-3,383	-30.5	Italy
	>1 week	(no.)	206	317	225	-111	-35.0	Italy
	<b>by time from disconnection to payment- Free market:</b>	(no.)	<b>281,661</b>	<b>285,037</b>	<b>336,381</b>	-3,376	-1.2	Italy
	<48 h	(no.)	141,414	152,857	175,457	-11,443	-7.5	Italy
	48 h - 1 week	(no.)	46,317	47,455	64,659	-1,138	-2.4	Italy
	1 week - 1 month	(no.)	86,154	77,590	89,645	8,564	11.0	Italy
	1 month - 1 year	(no.)	7,776	7,135	6,620	641	9.0	Italy
	>1 year	(no.)	-	-	-	-	-	Italy
	<b>by time from payment to reconnection- Free market:</b>	(no.)	<b>281,661</b>	<b>285,037</b>	<b>336,381</b>	-3,376	-1.2	Italy
	<24 h	(no.)	275,698	279,801	334,081	-4,103	-1.5	Italy
	24 h - 1 week	(no.)	5,935	5,230	2,279	705	13.5	Italy
	>1 week	(no.)	28	6	21	22	-	Italy
	<b>Market Italy-Gas</b>							
	<b>by time from disconnection to payment:</b>	(no.)	<b>42,375</b>	<b>45,004</b>	<b>55,325</b>	-2,629	-5.8	Italy
	<48 h	(no.)	7,503	11,239	13,411	-3,736	-33.2	Italy
	48 h - 1 week	(no.)	11,680	13,954	18,597	-2,274	-16.3	Italy
	1 week - 1 month	(no.)	20,685	17,036	20,541	3,649	21.4	Italy
	1 month - 1 year	(no.)	2,507	2,775	2,776	-268	-9.7	Italy
	>1 year	(no.)	-	-	-	-	-	Italy
	<b>by time from payment to reconnection:</b>	(no.)	<b>42,375</b>	<b>45,004</b>	<b>55,325</b>	-2,629	-5.8	Italy
	<24 h	(no.)	40,066	42,216	51,408	-2,150	-5.1	Italy
	24 h - 1 week	(no.)	2,223	2,763	3,891	-540	-19.5	Italy
	>1 week	(no.)	86	25	26	61	-	Italy
	<b>Market Italy-electricity</b>							
	<b>by time from disconnection to payment- Regulated market:</b>	(no.)	<b>18,078</b>	<b>21,779</b>	<b>54,120</b>	-3,701	-17.0	Iberia
	<48 h	(no.)	14,619	17,564	41,123	-2,945	-16.8	Iberia
	48 h - 1 week	(no.)	1,897	2,326	6,648	-429	-18.4	Iberia
	1 week - 1 month	(no.)	1,099	1,405	4,325	-306	-21.8	Iberia
	1 month - 1 year	(no.)	463	484	2,024	-21	-4.3	Iberia
	>1 year	(no.)	-	-	-	-	-	Iberia
	<b>time from payment to reconnection- Regulated market:</b>	(no.)	<b>19,249</b>	<b>21,793</b>	<b>54,110</b>	-2,544	-11.7	Iberia
	<24 h	(no.)	18,794	21,356	51,759	-2,562	-12.0	Iberia
	24 h - 1 week	(no.)	388	404	2,168	-16	-4.0	Iberia
	>1 week	(no.)	67	33	183	34	-	Iberia
	<b>by time from disconnection to payment- Free market:</b>	(no.)	<b>14,822</b>	<b>14,218</b>	<b>51,980</b>	604	4.2	Iberia
	<48 h	(no.)	12,436	12,232	43,579	204	1.7	Iberia
	48 h - 1 week	(no.)	1,509	1,458	5,919	51	3.5	Iberia
	1 week - 1 month	(no.)	792	525	2,385	267	50.9	Iberia

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	1 month - 1 year	(no.)	85	3	97	82	-	Iberia
	>1 year	(no.)	-	-	-	-	-	Iberia
	<b>by time from payment to reconnection- Free market:</b>	(no.)	<b>16,173</b>	<b>14,215</b>	<b>51,977</b>	1,958	13.8	Iberia
	<24 h	(no.)	15,705	13,848	49,844	1,857	13.4	Iberia
	24 h - 1 week	(no.)	398	334	1,969	64	19.2	Iberia
	>1 week	(no.)	70	33	164	37	-	Iberia
	<b>Market Iberia-gas</b>							
	<b>by time from disconnection to payment:</b>	(no.)	<b>3,677</b>	<b>1,557</b>	<b>5,453</b>	2,120	-	Iberia
	<48 h	(no.)	1,112	855	3,262	257	30.1	Iberia
	48 h - 1 week	(no.)	816	329	1,217	487	-	Iberia
	1 week - 1 month	(no.)	1,195	322	813	873	-	Iberia
	1 month - 1 year	(no.)	554	51	161	503	-	Iberia
	>1 year	(no.)	-	-	-	-	-	Iberia
	<b>by time from payment to reconnection:</b>	(no.)	<b>3,475</b>	<b>1,524</b>	<b>5,333</b>	1,951	-	Iberia
	<24 h	(no.)	1,572	338	1,023	1,234	-	Iberia
	24 h - 1 week	(no.)	1,380	890	3,331	490	55.1	Iberia
	>1 week	(no.)	523	296	979	227	76.7	Iberia
	<b>Market Latin America<sup>(4)</sup>-electricity</b>							
	<b>by time from disconnection to payment- Regulated market:</b>	(no.)	<b>2,460,407</b>	<b>4,211,428</b>	<b>4,336,099</b>	-1,751,021	-41.6	Latin America
	<48 h	(no.)	1,601,629	2,457,160	2,760,105	-855,531	-34.8	Latin America
	48 h - 1 week	(no.)	454,340	537,479	799,817	-83,139	-15.5	Latin America
	1 week - 1 month	(no.)	324,558	541,326	549,701	-216,768	-40.0	Latin America
	1 month - 1 year	(no.)	79,880	647,637	224,389	-567,757	-87.7	Latin America
	>1 year	(no.)	-	27,826	2,087	-27,826	-100.0	Latin America
	<b>by time from payment to reconnection- Regulated market:</b>	(no.)	<b>2,149,702</b>	<b>3,459,876</b>	<b>5,389,308</b>	-1,310,174	-37.9	Latin America
	<24 h	(no.)	1,939,254	2,797,521	3,931,289	-858,267	-30.7	Latin America
	24 h - 1 week	(no.)	174,727	533,766	1,385,738	-359,039	-67.3	Latin America
	>1 week	(no.)	35,721	128,589	61,281	-92,868	-72.2	Latin America
	<b>RELIABILITY OF THE DISTRIBUTION NETWORK</b>							
<b>EU28</b>	<b>Service interruptions - frequency (SAIFI)</b>							
	Frequency of interruptions per customer- Group	(no.)	2.5	2.6	2.8	-0.1	-4.6	Enel
	Frequency of interruptions per customer Italy <sup>(4)</sup>	(no.)	1.7	1.6	1.8	0.1	3.7	Italy
	Frequency of interruptions per customer Iberia	(no.)	1.2	1.3	1.4	-0.1	-7.7	Iberia
	Frequency of interruptions per customer Peru	(no.)	2.7	2.9	2.3	-0.2	-7.5	Peru
	Frequency of interruptions per customer Chile	(no.)	1.2	1.6	1.5	-0.4	-23.6	Chile
	Frequency of interruptions per customer Argentina	(no.)	7.9	5.3	4.8	2.6	49.6	Argentina
	Frequency of interruptions per customer Brazil (Ampla)	(no.)	4.2	4.5	4.6	-0.3	-6.7	Brazil

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Frequency of interruptions per customer Brazil (Coelce)	(no.)	3.8	4.2	4.7	-0.4	-9.5	Brazil
	Frequency of interruptions per customer Brazil (CelG) <sup>(4)</sup>	(no.)	-	7.8	8.4	-7.8	-100.0	Brazil
	Frequency of interruptions per customer Brazil (ELPL)	(no.)	3.4	3.4	3.4	-	-	Brazil
	Frequency of interruptions per customer Colombia	(no.)	4.6	3.9	5.2	0.7	17.9	Colombia
<b>EU29</b>	<b>Service interruptions - duration (SAIDI)</b>							
	Service Continuity Index-Group	(min)	218	231	243	-13	-5.8	Enel
	Service Continuity Index Italy	(min)	46	42	43	4	10.1	Italy
	Service Continuity Index Iberia	(min)	63	64	70	-1	-1.6	Iberia
	Service Continuity Index Peru <sup>(4)</sup>	(min)	635	610	414	25	4.1	Peru
	Service Continuity Index Chile	(min)	121	159	152	-38	-23.9	Chile
	Service Continuity Index Argentina	(min)	1,169	892	797	277	31.1	Argentina
	Service Continuity Index Brazil (Ampla) <sup>(4)</sup>	(min)	505	558	556	53	9	Brazil
	Service Continuity Index Brazil (Coelce)	(min)	570	589	681	-19	-3.2	Brazil
	Service Continuity Index Brazil (CelG)	(min)	-	934	1,088	-934	-100.0	Brazil
	Service Continuity Index Brazil (ELPL)	(min)	398	374	396	24	6.4	Brazil
	Service Continuity Index Colombia	(min)	353	320	401	33	10.3	Colombia
<b>EU12</b>	<b>Network losses-distribution<sup>(5)</sup></b>							
	Network losses-Group	(%)	7.5	7.7	7.7	0.3	-	Enel
	Network losses Italy	(%)	4.7	4.7	4.7	-	-	Italy
	Network losses Iberia	(%)	6.8	7.0	7.1	-0.2	-	Iberia
	Network losses Peru	(%)	8.7	8.2	8.5	0.5	-	Peru
	Network losses Chile	(%)	5.3	5.1	5.2	0.2	-	Chile
	Network losses Argentina	(%)	16.8	17.1	18.0	-0.3	-	Argentina
	Network losses Brazil (Ampla)	(%)	19.7	19.7	20.5	-	-	Brazil
	Network losses Brazil (Coelce)	(%)	14.7	15.2	16.1	-0.5	-	Brazil
	Network losses Brazil (CelG)	(%)	-	12.9	11.3	-12.9	-	Brazil
	Network losses Brazil (ELPL)	(%)	10.3	11.0	10.3	-0.7	-	Brazil
	Network losses Colombia	(%)	7.5	7.5	7.5	-	-	Colombia
	<b>AVAILABILITY AND RELIABILITY OF POWER</b>							
<b>EU11</b>	<b>Thermoelectric park efficiency<sup>(6)</sup></b>							
	Average thermoelectric park efficiency without the heat component	(%)	42.0	42.4	41.7	-0.4	-	Enel
	Average thermoelectric park efficiency with heat	(%)	42.0	42.8	42.9	-0.8	-	Enel
	<b>Average efficiency by technology without the heat component</b>							
	Efficiency of coal-fired plants	(%)	32.9	33.2	32.6	-0.3	-	Enel
	Oil/gas plant efficiency	(%)	32.9	34.4	35	-1.5	-	Enel
	Efficiency of CCGT plants	(%)	48.9	50.4	49.7	-1.5	-	Enel
	<b>Average efficiency with heat component by technology</b>							
	Efficiency of coal-fired plants	(%)	32.9	33.2	32.6	-0.3	-	Enel
	Oil/gas plant efficiency	(%)	32.9	36.6	38.6	-3.7	-	Enel
	Efficiency of CCGT plants	(%)	48.9	50.5	49.9	-1.6	-	Enel
<b>EU30</b>	<b>Availability of thermoelectric park</b>	(%)	<b>83.9</b>	<b>82.4</b>	<b>86.4</b>	1.5	-	Enel
	<b>Thermoelectric park availability by source</b>							

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Availability of coal-fired plants	(%)	76.6	67.7	78.4	8.9	-	Enel
	Availability of oil/gas plants	(%)	87.9	81.5	88.5	6.4	-	Enel
	Availability of CCGT plants	(%)	81.7	88.3	88.8	-6.6	-	Enel
	<b>Availability of thermal power plants by regulatory regime</b>							
	Regulated	(%)	86.3	85.9	86.9	0.4	-	Enel
	Free	(%)	83.2	81.1	86.2	2.1	-	Enel
	<b>End users</b>	(no.)	<b>70,291,727</b>	<b>75,178,777</b>	<b>74,303,931</b>	-4,887,050	-6.5	Enel
	<b>End users with active smart meters</b>	(no.)	<b>45,172,959</b>	<b>45,824,963</b>	<b>44,292,794</b>	-652,004	-	Enel
	<b>End users with active smart meters/end users</b>	(%)	<b>64.3</b>	<b>63.1</b>	<b>60.0</b>	1.2	-	Enel
	<b>Disputes with customers</b>							
	<b>Total proceedings</b>	(no.)	<b>136,077</b>	<b>136,428</b>	<b>126,692</b>	-351	-0.3	Enel
	<b>Incidence of proceedings as defendant</b>	(%)	<b>70.5</b>	<b>69.1</b>	<b>71.3</b>	1.4	-	Enel

(1) Includes: Argentina, Brazil, Chile, Colombia, Peru.

(2) Includes: Chile, Colombia.

(3) The 2022 figure was reparametrized due to Peru's departure from the reporting boundary.

(4) The 2022 figures include a more specific determination thereof.

(5) The KPI refers only to the distribution business (high, medium and low voltage). Conversely, the KPI relating to Enel Cien's transmission activities in Brazil reported in the Sustainability Report 2022 is no longer applicable as the concession for the operation of the transmission network for the interconnection between Brazil and Argentina expired at the start of 2023, and therefore Enel no longer carries out transmission operations.

(6) 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.

# Zero emissions ambition and just transition, Roadmap towards natural capital conservation

GRI/ EUSS	KPI	December UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>EMISSIONS</b>								
<b>Total direct and indirect greenhouse gas emissions (Scopes 1, 2, 3)</b>								
	Total Scope 1, 2, 3 emissions – location based	(mil tCO <sub>2eq</sub> )	94.32	127.92	127.09	-33.60	-26.3	Enel
	Total Scope 1, 2, 3 emissions – market based	(mil tCO <sub>2eq</sub> )	95.55	129.20	128.66	-33.65	-26.0	Enel
<b>305-1</b>	<b>Direct greenhouse gas emissions (Scope 1)</b>							
	CO <sub>2</sub> emissions from power generation <sup>(1)</sup>	(mil t)	32.62	51.93	50.56	-19.31	-37.2	Enel
	Other direct GHG emissions (Scope 1) <sup>(2)</sup>	(mil tCO <sub>2eq</sub> )	1.89	1.14	1.01	0.75	65.8	Enel
	<b>Total direct emissions (Scope 1)</b>	(mil tCO <sub>2eq</sub> )	<b>34.51</b>	<b>53.07</b>	<b>51.57</b>	-18.56	-35.0	Enel
	Emissions covered by the EU ETS (Emission Trading System) program.	(%)	74.1	66.8	51.6	7.3	-	Enel
<b>305-2</b>	<b>Indirect greenhouse gas emissions (Scope 2)<sup>(3)</sup></b>							
	<b>Total Scope 2 – location based</b>	(mil tCO <sub>2eq</sub> )	<b>3.28</b>	<b>3.82</b>	<b>4.03</b>	-0.54	-14.1	Enel
	- Purchased energy from the grid for own consumption	(mil tCO <sub>2eq</sub> )	0.60	0.69	0.70	-0.09	-13.3	Enel
	- Power distribution activity: emissions related to technical grid losses	(mil tCO <sub>2eq</sub> )	2.68	3.12	3.33	-0.44	-14.3	Enel
	<b>Total Scope 2 – market based</b>	(mil tCO <sub>2eq</sub> )	<b>4.51</b>	<b>5.10</b>	<b>5.60</b>	-0.59	-11.6	Enel
	- Purchased energy from the grid for own consumption	(mil tCO <sub>2eq</sub> )	0.81	0.89	1.00	-0.08	-9.7	Enel
	- Power distribution activity: emissions related to technical grid losses	(mil tCO <sub>2eq</sub> )	3.70	4.21	4.60	-0.51	-12.1	Enel
<b>305-3</b>	<b>Other indirect greenhouse gas emissions (Scope 3)<sup>(4)</sup></b>							
	Category 1: Purchase of goods and services (Supply chain)	(mil tCO <sub>2eq</sub> )	8.82	14.41	12.99	-5.59	-38.8	Enel
	Category 3: Fuel and energy-related activities not included in Scopes 1 and 2	(mil tCO <sub>2eq</sub> )	30.92	35.98	38.44	-5.06	-14.1	Enel
	- Upstream coal (mining and transport by sea)	(mil tCO <sub>2eq</sub> )	1.02	1.88	1.24	-0.86	-45.8	Enel
	- Upstream gas (extraction and transport by sea)	(mil tCO <sub>2eq</sub> )	5.89	8.42	10.01	-2.53	-30.0	Enel
	- Upstream diesel and biomass (transportation)	(mil tCO <sub>2eq</sub> )	0.01	0.01	0.01	-	-	Enel
	- Purchase of electricity for selling to end customer <sup>(5)</sup>	(mil tCO <sub>2eq</sub> )	24.00	25.67	27.19	-1.67	-6.5	Enel
	Category 4: Upstream transport and distribution (transport of raw materials and waste)	(mil tCO <sub>2eq</sub> )	0.01	0.01	-	-	-	Enel
	Category 11: Use of products sold (Use of gas sold to end customer) <sup>(6)</sup>	(mil tCO <sub>2eq</sub> )	16.79	20.63	20.05	-3.84	-18.6	Enel
	<b>Total indirect emissions (Scope 3)<sup>(5)(6)</sup></b>	(mil tCO <sub>2eq</sub> )	<b>56.53</b>	<b>71.04</b>	<b>71.49</b>	-14.51	-20.4	Enel
<b>305-4</b>	<b>Specific emissions</b>							
	Intensity of total GHG Scope 1 emissions <sup>(7)</sup>	(gCO <sub>2eq</sub> /kWh)	166	230	227	-64	-28.0	Enel
	Intensity of CO <sub>2</sub> emissions related to energy production <sup>(8)</sup>	(gCO <sub>2</sub> /kWh)	157	225	222	-68	-30.2	Enel
	Scope 1 GHG emissions Intensity relating to Power Generation (SBTi) <sup>(9)</sup>	(gCO <sub>2eq</sub> /kWh)	160	229	225	-69	-30.1	Enel
	Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (SBTi) <sup>(5)(10)</sup>	(gCO <sub>2eq</sub> /kWh)	168	210	212	-42	-20.0	Enel
<b>305-5</b>	<b>Avoided emissions<sup>(11)</sup></b>	(mil tCO <sub>2eq</sub> )	<b>86.0</b>	<b>81.6</b>	<b>72.8</b>	4.4	5.4	Enel
<b>305-7</b>	<b>Other atmospheric emissions<sup>(12)</sup></b>							
	SO <sub>2</sub> emissions	(t)	18,701	16,602	15,615	2,099	12.6	Enel
	NO <sub>x</sub> emissions	(t)	53,850	74,225	78,846	-20,375	-27.5	Enel
	Dust emissions	(t)	1,259	1,227	1,099	32	2.6	Enel
	H <sub>2</sub> S emissions	(t)	5,114	5,226	4,772	-112	-2.1	Enel
	Hg emissions (coal-fired thermoelectric)	(t)	0.04	0.08	0.05	-0.04	-50.0	Enel
	<b>Specific emissions</b>							
	SO <sub>2</sub> emissions	(g/kWh)	0.09	0.07	0.07	0.02	28.6	Enel
	NO <sub>x</sub> emissions	(g/kWh)	0.26	0.32	0.35	-0.06	-18.8	Enel
	Dust emissions	(g/kWh)	0.006	0.005	0.005	0.001	20.0	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>305-6</b>	<b>Ozone Depleting Substances emissions</b>							
	<b>Total</b>	(kgCFC-11 <sub>eq</sub> )	<b>14</b>	<b>43</b>	<b>180</b>	-29	-67.4	Enel
<b>2-27</b>	<b>Compliance with environmental laws and regulations</b>							
	<b>Total non-compliance for which monetary and non-monetary sanctions were incurred</b>	(no.)	<b>39</b>	<b>92</b>	-	-53	-	Enel
	Total non-compliance for which non-monetary sanctions were incurred	(no.)	12	22	-	-10	-45.5	Enel
	Total non-compliance for which monetary sanctions were incurred	(no.)	27	70	-	-43	-61.4	Enel
	Fines for instances of non-compliance with laws and regulations occurred in the current reporting period	(mil euros)	3.98	0.01	-	3.97	-	Enel
	Fines for instances of non-compliance with laws and regulations occurred in the previous reporting periods	(mil euros)	0.14	0.15	-	-0.01	-9.3	Enel
	Environmental liabilities accrued at year-end	(mil euros)	0.11	1.60	-	-1.49	-92.9	Enel
	<b>Environmental proceedings as defendant</b>							
	Total number of environmental proceedings as defendant	(no.)	112	168	243	-56	-33.3	Enel
	Monetary values	(mil euros)	3.98	1.80	5.00	2.18	-	Enel
	<b>ENERGY CONSUMPTION</b>							
<b>302-1</b>	<b>Fuel consumption by primary source in TJ</b>							
	<b>from non-renewable sources</b>	(TJ)	<b>752,814</b>	<b>1,053,083</b>	<b>1,044,714</b>	-300,269	-28.5	Enel
	Coal	(TJ)	117,193	206,450	141,528	-89,257	-43.2	Enel
	Lignite	(TJ)	-	-	-	-	-	Enel
	Fuel oil	(TJ)	32,483	35,848	34,787	-3,365	-9.4	Enel
	Natural gas	(TJ)	276,567	469,425	549,312	-192,858	-41.1	Enel
	Diesel oil	(TJ)	60,797	58,486	48,482	2,311	4.0	Enel
	Uranium	(TJ)	265,773	282,872	270,605	-17,099	-6.0	Enel
	<b>from renewable sources</b>	(TJ)	<b>53,915</b>	<b>54,987</b>	<b>54,588</b>	-1,072	-1.9	Enel
	Biomass, biogas and waste	(TJ)	868	1,044	1,136	-176	-16.9	Enel
	Geothermal fluid	(TJ)	53,047	53,943	53,452	-896	-1.7	Enel
	<b>Total direct consumption</b>	(TJ)	<b>806,729</b>	<b>1,108,069</b>	<b>1,099,302</b>	-301,340	-27.2	Enel
	<b>Fuel consumption by primary source in Mtoe</b>							
	<b>from non-renewable sources</b>	(Mtoe)	<b>18.0</b>	<b>25.2</b>	<b>25.0</b>	-7.2	-28.6	Enel
	Coal	(Mtoe)	2.8	4.9	3.4	-2.1	-42.9	Enel
	Lignite	(Mtoe)	-	-	-	-	-	Enel
	Fuel oil	(Mtoe)	0.8	0.9	0.8	-0.1	-11.1	Enel
	Natural gas	(Mtoe)	6.6	11.2	13.1	-4.6	-41.1	Enel
	Diesel oil	(Mtoe)	1.5	1.4	1.2	0.1	7.1	Enel
	Uranium	(Mtoe)	6.3	6.8	6.5	-0.5	-7.4	Enel
	<b>from renewable sources</b>	(Mtoe)	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>	-	-	Enel
	Biomass, biogas and waste	(Mtoe)	0.02	0.02	0.03	-	-	Enel
	Geothermal fluid	(Mtoe)	1.3	1.3	1.3	-	-	Enel
	<b>Total direct consumption</b>	(Mtoe)	<b>19.3</b>	<b>26.5</b>	<b>26.3</b>	-7.2	-27.2	Enel
	<b>Incidence of fuel consumption from non-renewable sources</b>							
	Coal	(%)	15.6	19.6	11.2	-4.0	-	Enel
	Lignite	(%)	-	-	-	-	-	Enel
	Fuel oil	(%)	4.3	3.4	2.8	0.9	-	Enel
	Natural gas	(%)	36.7	44.6	43.5	-7.9	-	Enel
	Diesel oil	(%)	8.1	5.6	3.8	2.5	-	Enel
	Uranium	(%)	35.3	26.9	21.4	8.4	-	Enel
<b>302-1</b>	<b>Indirect energy consumption by destination</b>							
	<b>Total electricity consumption</b>	(TJ)	<b>10,692</b>	<b>11,620</b>	<b>23,878</b>	-928	-8.0	Enel



GRI/ EUSS	KPI		December UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>RAW MATERIALS</b>									
<b>Resources used in the production process</b>									
<b>301-1</b>	<b>Fuel consumption for thermoelectric production from non-renewable sources</b>								
	Coal	(,000 t)	4,817	8,522	5,958	-3,705	-43.5		Enel
	Lignite	(,000 t)	-	-	-	-	-		Enel
	Fuel oil	(,000 t)	807	889	863	-82	-9.2		Enel
	Natural gas	(mil m <sup>3</sup> )	7,673	13,214	15,682	-5,541	-41.9		Enel
	Diesel oil	(,000 t)	1,061	1,262	1,033	-201	-15.9		Enel
	<b>from renewable sources</b>								
	Biomass and waste for thermoelectric production	(,000 t)	55	65	71	-10	-15.4		Enel
	Biogas	(mil m <sup>3</sup> )	0.3	1.2	0.7	-0.9	-75.0		Enel
	Geothermal steam used for electricity production	(,000 t)	48,943	49,947	350,160	-1,004	-2.0		Enel
<b>301-1</b>	<b>Consumables</b>								
	Lime	(,000 t)	96.2	110.7	61.9	48.8	44.1		Enel
	Ammonia	(,000 t)	170	370	20.4	-20.0	-54.1		Enel
	Caustic soda	(,000 t)	65.3	47.4	65.0	17.9	37.8		Enel
	Slaked lime	(,000 t)	3.3	4.6	3.3	-1.3	-28.3		Enel
	Sulfuric/chloride acid	(,000 t)	4.7	7.3	8.7	-2.6	-35.6		Enel
	Other	(,000 t)	19.0	34.7	26.8	-15.7	-45.2		Enel
	<b>Total</b>	(,000 t)	<b>205.5</b>	<b>241.8</b>	<b>186.2</b>	<b>-36.3</b>	<b>-15.0</b>		Enel
<b>301-2</b>	<b>Percentage of materials used that derive from recycled material compared to the total consumption of each resource</b>								
	Lubricant oil	(%)	6.50	3.15	11.85	3.35	-		Enel
	Dielectric oil	(%)	62.57	53.84	67.04	8.73	-		Enel
	Paper for printing	(%)	16.27	3.43	2.16	12.84	-		Enel
	<b>Water</b>								
	<b>Volumes of water used in the production process</b>								
	For thermal production	(,000 ML)	376	56.5	52.8	-18.9	-33.4		Enel
	For nuclear production	(,000 ML)	16.9	19.0	19.6	-2.0	-10.8		Enel
	For other production and industrial uses	(,000 ML)	0.4	0.5	0.7	-0.1	-176		Enel
	<b>Total withdrawals for the production process</b>	(,000 ML)	<b>55.0</b>	<b>76.0</b>	<b>73.1</b>	<b>-27.8</b>	<b>-36.6</b>		Enel
	<b>Specific freshwater withdrawal</b>	(l/kWh <sub>ed</sub> )	<b>0.20</b>	<b>0.23</b>	<b>0.25</b>	<b>-0.03</b>	<b>-13.0</b>		Enel
<b>303-3</b>	<b>Process water withdrawals by source</b>								
	<b>Withdrawals from scarce water sources</b>								
	Surface water (wetlands, lakes, rivers) Total	(,000 ML)	28.8	37.9	40.5	-9.1	-24.0		Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	28.3	37.3	40.3	-8.9	-24.0		Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	0.5	0.6	0.2	-0.1	-23.2		Enel
	Ground water (from wells) Total	(,000 ML)	8.0	9.5	9.9	-1.5	-15.6		Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	8.0	9.4	9.9	-1.4	-14.7		Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	-	0.1	-	-0.1	-82.5		Enel
	Water from aqueducts Total	(,000 ML)	4.4	6.3	6.0	-1.9	-29.6		Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	4.2	6.0	5.3	-1.8	-29.8		Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	0.2	0.3	0.7	-0.1	-27.1		Enel
	<b>Withdrawals from non scarce sources</b>	(,000 ML)	<b>13.7</b>	<b>22.3</b>	<b>16.7</b>	<b>-8.6</b>	<b>-38.5</b>		Enel
	Seawater (used as is and desalinated)	(,000 ML)	13.6	22.2	16.6	-8.6	-38.8		Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	5.0	5.7	5.0	-0.7	-11.7		Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	8.5	16.5	11.6	-7.9	-48.2		Enel
	from wastewater (amount used inside plants)	(,000 ML)	0.1	0.1	0.1	-	-		Enel
	<b>Total</b>	(,000 ML)	<b>55.0</b>	<b>76.0</b>	<b>73.1</b>	<b>-21.0</b>	<b>-27.7</b>		Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>Percentage of recycled and reused water</b>	(%)	<b>8.6</b>	<b>9.4</b>	<b>8.3</b>	-0.8	-	Enel
	<b>Water withdrawal for open-cycle cooling</b>							
	<b>Total</b>	(,000 ML)	<b>10,866.3</b>	<b>13,651.7</b>	<b>14,956.3</b>	-2,785.5	-20.4	Enel
	from surface water	(,000 ML)	2,981.1	4,782.6	6,213.0	-1,801.5	-37.7	Enel
	from sea water	(,000 ML)	7,885.2	8,869.2	8,743.3	-984.0	-11.1	Enel
	<b>Total withdrawals</b>	(,000 ML)	<b>10,914.4</b>	<b>13,727.7</b>	<b>15,011.9</b>	-2,813.3	-20.5	Enel
<b>303-3</b>	<b>Process water withdrawals by source in water stressed areas<sup>(13)</sup></b>							
	<b>Withdrawals from scarce sources</b>	(,000 ML)	<b>10.7</b>	<b>12.7</b>	<b>15.5</b>	-2.0	-16.0	Enel
	Surface water (wetlands, lakes, rivers)	(,000 ML)	5.1	5.8	8.5	-0.7	-11.6	Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	5.0	5.7	8.5	-0.7	-12.7	Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	0.1	0.1	-	-	-	Enel
	Ground water (from wells)	(,000 ML)	4.7	5.8	6.4	-1.1	-18.7	Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	4.7	5.8	6.4	-1.1	-19.1	Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	-	-	-	-	-	Enel
	Water from aqueducts (industrial and civil)	(,000 ML)	0.8	1.1	0.6	-0.3	-24.8	Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	0.6	0.8	0.4	-0.2	-24.9	Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	0.2	0.3	0.3	-0.1	-33.3	Enel
	<b>Withdrawals from non scarce sources</b>	(,000 ML)	<b>2.1</b>	<b>1.9</b>	<b>1.3</b>	0.2	10.5	Enel
	Seawater (used as is and desalinated)	(,000 ML)	2.1	1.9	1.3	0.2	10.5	Enel
	- fresh water (<=1,000 mg/l total dissolved solids)	(,000 ML)	1.1	0.9	0.8	0.2	25.5	Enel
	- other water (>1,000 mg/l total dissolved solids)	(,000 ML)	0.9	1.0	0.5	-	-	Enel
	from wastewater (share used within facilities)	(,000 ML)	-	-	-	-	-	Enel
	<b>Total</b>	(,000 ML)	<b>12.8</b>	<b>14.6</b>	<b>16.8</b>	-1.8	-12.6	Enel
<b>303-4</b>	<b>WATER DISCHARGE</b>							
	<b>Water discharge by destination (total)</b>	(,000 ML)	<b>10,885.8</b>	<b>13,682.4</b>	<b>14,968.0</b>	-2,796.7	-20.4	Enel
	Surface water (wetlands, lakes, rivers)	(,000 ML)	2,987.7	4,785.5	6,189.1	-1,797.8	-37.6	Enel
	Groundwater	(,000 ML)	-	-	-	-	-	Enel
	Water in municipal/industrial treatment plants	(,000 ML)	1.9	3.0	6.4	-1.1	-36.7	Enel
	Third-party water	(,000 ML)	73.3	79.6	89.0	-6.3	-7.9	Enel
	Sea water	(,000 ML)	7,822.9	8,814.5	8,683.5	-991.6	-11.2	Enel
<b>303-5</b>	<b>Water consumptions</b>	(,000 ML)	<b>35.4</b>	<b>45.2</b>	<b>43.8</b>	-9.7	-21.5	Enel
	<b>Consumption in water stressed areas</b>	(,000 ML)	<b>7.9</b>	<b>9.3</b>	<b>10.5</b>	-1.4	-15.4	Enel
<b>306-3</b>	<b>WASTE PRODUCED</b>							
	Non-hazardous waste	(t)	3,182,083	3,300,765	3,008,536	-118,682	-3.6	Enel
	Hazardous waste <sup>(14)</sup>	(t)	68,704	55,940	64,365	12,764	22.8	Enel
	<b>Total waste produced</b>	(t)	<b>3,250,786</b>	<b>3,356,705</b>	<b>3,072,901</b>	-105,919	-3.2	Enel
	<b>of which ash gypsum</b>	(t)	<b>739,883</b>	<b>1,129,818</b>	<b>744</b>	-389,935	-34.5	Enel
	<b>of which oils</b>	(t)	<b>6,598</b>	<b>5,273</b>	<b>5,495</b>	1,325	25.1	Enel
	<b>of which construction and demolition waste</b>	(t)	<b>1,178,442</b>	<b>1,063,564</b>	<b>1,052,701</b>	114,878	10.8	Enel
	<b>Total waste sent for recovery</b>	(%)	<b>85.34</b>	<b>84.39</b>	<b>85.30</b>	0.95	-	Enel
<b>306-4;</b> <b>306-5</b>	<b>Hazardous waste by disposal method</b>							
	Recycled or sent for recovery	(t)	32,411	21,960	38,418	10,451	47.6	Enel
	Landfill	(t)	7,155	5,270	7,972	1,885	35.8	Enel
	Incineration with energy recovery	(t)	2,274	853	684	-	-	Enel
	Incineration without energy recovery	(t)	122	451	752	-	-	Enel
	Other disposal methods	(t)	26,742	27,406	16,539	-	-	Enel
	<b>Total</b>	(t)	<b>68,704</b>	<b>55,940</b>	<b>64,365</b>	12,764	22.8	Enel
<b>306-4;</b> <b>306-5</b>	<b>Non-hazardous waste by disposal method</b>							
	Recovery (including energy recovery)	(t)	2,741,839	2,810,895	2,622,376	-69,056	-2.5	Enel
	Landfill	(t)	354,004	417,728	386,160	-63,724	-15.3	Enel
	Incineration with energy recovery	(t)	344	572	551	-	-	Enel
	Incineration without energy recovery	(t)	89	16	103	-	-	Enel
	Other disposal methods	(t)	85,935	71,555	39,717	-	-	Enel
	<b>Total</b>	(t)	<b>3,182,083</b>	<b>3,300,765</b>	<b>1,121,054</b>	-118,682	-3.6	Enel

GRI/ EUSS	KPI	December UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>Mitigation of the impact on the landscape/territory<sup>(15)</sup></b>								
	<b>LV/MV cabling ratio</b>	(%)	<b>67.3</b>	<b>60.7</b>	<b>60.5</b>	6.6	-	Enel
	<b>LV cabling ratio</b>	(%)	<b>84.5</b>	<b>82.9</b>	<b>82.9</b>	1.6	-	Enel
	<b>MV cabling ratio</b>	(%)	<b>37.9</b>	<b>30.1</b>	<b>29.3</b>	7.8	-	Enel

<b>2023 assessment of biodiversity project impacts</b>		<b>Number of sites</b>	<b>Hectares</b>
Number of sites and total area used for operational activities		<b>612</b>	<b>61,352</b>
<b>Assessment</b>	Sites where biodiversity impact assessments have been carried out in the last five years	<b>612</b>	<b>61,352</b>
<b>Exposure</b>	Sites with biodiversity impact assessment in proximity to critical areas and total area of these sites	<b>228</b>	<b>9,024</b>
<b>Management plans</b>	Sites with biodiversity impact assessment located in proximity to critical areas that have a biodiversity management plan in place, and total area of these sites	<b>14</b>	<b>1,233</b>

- (1) Figures for 2021 and 2022 also include the contribution of heat from plants in Russia sold in 2022.
- (2) This share includes emissions as a result of:
- the combustion of fossil fuels: for electricity generation (CH<sub>4</sub> and N<sub>2</sub>O); in auxiliary generation and distribution engines (CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O); in building heating systems (CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O); and in the corporate fleet of vehicles (CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O);
  - greenhouse gas leakages related to: NF<sub>3</sub>, in photovoltaic panel generation; SF<sub>6</sub>, in power plants and distribution assets; HFCs, in power plants and buildings; CH<sub>4</sub> in gas-fired power plants; and biogenic CH<sub>4</sub> from hydropower reservoirs.
- (3) This share includes emissions as a result of:
- electricity taken from the grid for consumption in power plants (including pumped storage hydropower plants), port terminals, buildings, and 3Sun. The calculation is made as the product of electricity consumption by the respective coefficients of specific emissions of the electricity systems of the countries in which the Enel Group operates (source National Authority or Enerdata data), following the GHG Protocol indications with respect to the location based and market-based models. In particular, the Scope 2 market-based calculation takes into account cancelled guarantees of origin in Italy and Iberia;
  - emissions from technical losses of energy from the power distribution activity. These are calculated based on the part of energy fed into the grid that exceeds the share produced in the country in question, so as to avoid any double counting of emissions already included in Scope 1. The emissions are calculated according to the dual location and market-based view.
- The 2021 and 2022 values have been restated following an update of the methodology for calculating energy consumption in distribution assets and also the update of emission factors of national power systems.
- (4) "Scope 3"
- Category 1: Procurement of goods and services (Supply Chain): the calculation considers GHG emissions related to supplies, works and services. For supplies, the calculation is based on the average value of EPD (Environmental Product Declaration) or ISO CFP certifications for more than 60% of purchased supplies; the remainder was estimated through international databases (Ecoinvent/Exiobase). Emissions from works have been estimated based on data from sustainable construction sites and emissions of services have been estimated using international databases.
  - Category 3: Fuel and energy-related activities not included in Scope 1 and 2: the calculation considers indirect GHG emissions for fugitive emissions of methane (CH<sub>4</sub>) related to the extraction process of coal imported and used for thermal power generation; transportation of coal and ash by sea; transportation of biomass and fuel-oil by road; the extraction and transportation of natural gas considering both the share related to gas used in thermal power plants and sold in the retail market; emissions related to energy purchased for sale to end customers (calculated as the product of the fraction sold but not generated by Enel and the emission factor of electric systems).
  - Category 4: Upstream transport and distribution (transport of raw materials and waste): this calculation considers indirect GHG emissions for emissions related to transport of consumables and waste by road.
  - Category 11: Use of products sold (Use of gas sold to the end customer): the value 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<sub>2</sub>, N<sub>2</sub>O e CH<sub>4</sub>).
- (5) The 2021 and 2022 values were restated following an update of the emission factors of national power systems.
- (6) The 2021 and 2022 values were restated following an update in the calculation methodology based on the calorific value of natural gas volumes sold to end customers.
- (7) The specific emissions were calculated considering total direct emissions (Scope 1) in relation to total renewable, nuclear and thermoelectric generation. Figures for 2021 and 2022 also include the contribution of heat from plants in Russia sold in 2022.
- (8) Specific emissions are calculated by considering the total direct CO<sub>2</sub> emissions related to electricity generation as a ratio of total renewable, nuclear and thermoelectric generation. Figures for 2021 and 2022 also include the contribution of heat from plants in Russia sold in 2022.
- (9) KPI corresponding to the target certified by SBTi in 2022. The specific emissions were calculated considering total direct emissions (Scope 1) related to the generation of electricity (including CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O), in relation to total renewable (excluding pumped storage generation), nuclear and thermoelectric. Figures for 2021 and 2022 also include the contribution of heat from plants in Russia sold in 2022.
- (10) KPI corresponding to the target certified by SBTi in 2022. The specific emissions are calculated considering the combination of total direct emissions (Scope 1) related to electricity generation (including CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O) and the Group's direct GHG emissions (Scope 3) deriving from the generation of electricity purchased and sold to end customers, in relation to total renewable (excluding pumped-storage generation), nuclear and thermoelectric generation, and total electricity purchases. Figures for 2021 and 2022 also include the contribution of heat from plants in Russia sold in 2022.
- (11) Avoided Group emissions are calculated as the sum of the avoided emissions in the various countries. The resulting value is calculated as the product of the generation of electricity obtained from a renewable or nuclear source and the specific CO<sub>2</sub> emissions from the thermoelectric generation of the country in which Enel is present (source: Enerdata).
- (12) Mercury emissions in 2023 amounted to 44 kg, associated with thermoelectric generation for Italy and Spain, 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 422 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).
- (13) GRI 303 has defined as "water stressed" areas those in which, on the basis of the classification provided by the WRI Aqueduct Water Risk Atlas, the ratio between the total annual withdrawal of surface water or groundwater for different uses (civil, industrial, agricultural and livestock) and the total annual renewable water supply available ("base water stress", understood, therefore, as the level of competition between all users) is high (40-80%) or extremely high (>80%). It is further specified that thermal plants using freshwater are included in this category. By way of greater environmental protection, Enel has also considered as located in water stressed areas those plants falling in zones classified by the WRI as "arid".
- (14) Hazardous waste is reported by countries and regions below:

KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>Hazardous waste by significant geographical areas</b>							
Italy	(t)	44,673	29,061	29,306	15,612	53.7	Italy
Iberia	(t)	16,468	13,857	11,786	2,611	18.8	Iberia
<b>Latin America</b>	(t)	<b>6,878</b>	<b>9,090</b>	<b>13,777</b>	-2,212	-24.3	Latin America
- Chile	(t)	956	1,093	741	-137	-12.5	Chile
- Argentina	(t)	460	1,111	2,106	-651	-58.6	Argentina
- Colombia	(t)	1,101	1,231	1,364	-130	-10.6	Colombia
- Peru	(t)	1,359	1,142	905	217	19.0	Peru
- Brazil	(t)	2,995	4,500	8,658	-1,505	-33.4	Brazil
- others	(t)	9	12	3	-3	-25.0	Other
<b>Europe</b>	(t)	<b>388</b>	<b>3,733</b>	<b>9,254</b>	-3,345	-89.6	Europe
- Russia	(t)	-	1,924	7,368	-1,924	-100.0	Russia
- Romania	(t)	374	1,802	1,859	-1,428	-79.2	Romania
- Greece	(t)	14	7	27	7	100.0	Greece
<b>Other</b>	(t)	<b>296</b>	<b>199</b>	<b>243</b>	97	48.7	Other
<b>Non-hazardous waste by significant countries and regions</b>							
Italy	(t)	2,675,803	2,735,469	667,663	-59,666	-2.2	Italy
Iberia	(t)	146,893	201,380	110,465	-54,487	-27.1	Iberia
<b>Latin America</b>	(t)	<b>356,648</b>	<b>357,387</b>	<b>327,563</b>	-739	-0.2	Latin America
- Chile	(t)	41,122	97,520	120,645	-56,398	-57.8	Chile
- Argentina	(t)	1,579	2,793	2,629	-1,214	-43.5	Argentina
- Colombia	(t)	66,013	100,705	98,182	-34,692	-34.4	Colombia
- Peru	(t)	40,599	30,039	19,397	10,560	35.2	Peru
- Brazil	(t)	207,200	126,165	86,520	81,035	64.2	Brazil
- others	(t)	135	166	189	-31	-18.7	Other
<b>Europe</b>	(t)	<b>2,220</b>	<b>6,140</b>	<b>14,969</b>	-3,920	-63.8	Europe
- Russia	(t)	-	1,365	9,828	-1,365	-100.0	Russia
- Romania	(t)	2,219	4,775	5,134	-2,556	-53.5	Romania
- Greece	(t)	1	-	6	1	-	Greece
<b>Other</b>	(t)	<b>518</b>	<b>389</b>	<b>393</b>	129	33.2	Other

(15) 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.

# Enel people

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>SIZE AND COMPOSITION OF WOKFORCE</b>								
<b>2-7</b>	<b>Size of workforce</b>							
	<b>Total workforce</b>	(no.)	<b>61,055</b>	<b>65,124</b>	<b>66,279</b>	-4,069	-6.2	Enel
	- of which men	(no.)	47,202	49,899	51,341	-2,697	-5.4	Enel
	- of whom men (%)	(%)	77.3	76.6	77.5	0.7	-	Enel
	- of which women	(no.)	13,853	15,225	14,938	-1,372	-9.0	Enel
	- of which women (%)	(%)	22.7	23.4	22.5	-0.7	-	Enel
	<b>Average workforce</b>	(no.)	<b>64,396</b>	<b>66,475</b>	<b>65,976</b>	-2,079	-3.1	Enel
<b>Workforce by geographic area and gender</b>								
	<b>Italy<sup>(1)</sup></b>	(no.)	<b>31,470</b>	<b>31,664</b>	<b>30,276</b>	-194	-0.6	Italy
	- of which men	(no.)	24,802	24,943	24,136	-141	-0.6	Italy
	- of which women	(no.)	6,668	6,721	6,140	-53	-0.8	Italy
	<b>Iberia<sup>(2)</sup></b>	(no.)	<b>9,504</b>	<b>9,643</b>	<b>9,518</b>	-139	-1.4	Iberia
	- of which men	(no.)	6,951	7,091	7,084	-140	-2.0	Iberia
	- of which women	(no.)	2,553	2,552	2,434	1	-	Iberia
	<b>Europe<sup>(3)</sup></b>	(no.)	<b>139</b>	<b>3,532</b>	<b>4,994</b>	-3,393	-96.1	Europe
	- of which men	(no.)	102	2,408	3,478	-2,306	-95.8	Europe
	- of which women	(no.)	37	1,124	1,516	-1,087	-96.7	Europe
	<b>North America<sup>(4)</sup></b>	(no.)	<b>1,747</b>	<b>2,100</b>	<b>1,914</b>	-353	-16.8	North America
	- of which men	(no.)	1,240	1,475	1,352	-235	-15.9	North America
	- of which women	(no.)	507	625	562	-118	-18.9	North America
	<b>Latin America<sup>(5)</sup></b>	(no.)	<b>17,471</b>	<b>17,361</b>	<b>18,763</b>	110	0.6	Latin America
	- of which men	(no.)	13,608	13,412	14,712	196	1.5	Latin America
	- of which women	(no.)	3,863	3,949	4,051	-86	-2.2	Latin America
	<b>Africa, Asia and Oceania<sup>(6)</sup></b>	(no.)	<b>724</b>	<b>824</b>	<b>814</b>	-100	-12.1	Africa, Asia and Oceania
	- of which men	(no.)	499	570	579	-71	-12.5	Africa, Asia and Oceania
	- of which women	(no.)	225	254	235	-29	-11.4	Africa, Asia and Oceania
<b>405-1</b>	<b>Workforce by level and gender</b>							
	<b>Manager</b>	(no.)	<b>1,310</b>	<b>1,366</b>	<b>1,377</b>	-56	-4.1	Enel
	Manager	(%)	2.1	2.1	2.1	-	-	Enel
	- of which men	(no.)	966	1,025	1,052	-59	-5.8	Enel
	- of which women	(no.)	344	341	325	3	0.9	Enel
	<b>Middle Manager</b>	(no.)	<b>12,389</b>	<b>12,645</b>	<b>12,242</b>	-256	-2.0	Enel
	Middle Manager	(%)	20.3	19.4	18.5	0.9	-	Enel
	- of which men	(no.)	8,286	8,523	8,403	-237	-2.8	Enel
	- of which women	(no.)	4,103	4,122	3,839	-19	-0.5	Enel
	<b>White-collar</b>	(no.)	<b>31,308</b>	<b>34,634</b>	<b>35,556</b>	-3,326	-9.6	Enel
	White-collar	(%)	51.3	53.2	53.6	-1.9	-	Enel
	- of which men	(no.)	22,116	24,078	25,138	-1,962	-8.1	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	- of which women	(no.)	9,192	10,556	10,418	-1,364	-12.9	Enel
	<b>Blue-collar</b>	(no.)	<b>16,048</b>	<b>16,478</b>	<b>17,104</b>	-430	-2.6	Enel
	Blue-collar	(%)	26.3	25.3	25.8	1.0	-	Enel
	- of which men	(no.)	15,833	16,272	16,748	-439	-2.7	Enel
	- of which women	(no.)	215	207	357	8	3.9	Enel
<b>Percentage of Managers by geographical area</b>								
	<b>Italy<sup>(1)</sup></b>	(no.)	<b>31,470</b>	<b>31,664</b>	<b>30,276</b>	-194	-0.6	Italy
	People on total Group people	(%)	51.5	48.6	45.7	2.9	-	Italy
	People on total Group Managers	(%)	64.8	63.3	60.1	1.5	-	Italy
	People on total not Group Managers	(%)	51.3	48.3	45.4	2.9	-	Italy
	<b>Iberia<sup>(2)</sup></b>	(no.)	<b>9,504</b>	<b>9,643</b>	<b>9,518</b>	-139	-1.4	Iberia
	People on total Group people	(%)	15.6	14.8	14.4	0.8	-	Iberia
	People on total Group Managers	(%)	18.2	17.9	20.3	0.3	-	Iberia
	People on total not Group Managers	(%)	15.5	14.7	14.2	0.8	-	Iberia
	<b>Brazil</b>	(no.)	<b>8,149</b>	<b>7,510</b>	<b>8,970</b>	639	8.5	Brazil
	People on total Group people	(%)	13.3	11.5	13.5	1.8	-	Brazil
	People on total Group Managers	(%)	5.2	5.1	4.7	0.1	-	Brazil
	People on total not Group Managers	(%)	8.1	8.0	9.8	0.1	-	Brazil
	<b>Argentina</b>	(no.)	<b>3,622</b>	<b>4,007</b>	<b>4,054</b>	-385	-9.6	Argentina
	People on total Group people	(%)	5.9	6.2	6.1	-0.2	-	Argentina
	People on total Group Managers	(%)	2.0	2.0	1.7	-0.1	-	Argentina
	People on total not Group Managers	(%)	6.0	6.2	6.2	-0.2	-	Argentina
	<b>Chile</b>	(no.)	<b>2,112</b>	<b>2,219</b>	<b>2,271</b>	-107	-4.8	Chile
	People on total Group people	(%)	3.5	3.4	3.4	0.1	-	Chile
	People on total Group Managers	(%)	3.7	3.5	4.0	0.2	-	Chile
	People on total not Group Managers	(%)	3.5	3.4	3.4	0.1	-	Chile
	<b>Peru</b>	(no.)	<b>1,091</b>	<b>1,075</b>	<b>988</b>	16	1.5	Peru
	People on total Group people	(%)	1.8	1.7	1.5	0.1	-	Peru
	People on total Group Managers	(%)	1.4	1.5	1.4	-0.1	-	Peru
	People on total not Group Managers	(%)	1.8	1.7	1.5	0.1	-	Peru
	<b>Colombia</b>	(no.)	<b>2,281</b>	<b>2,327</b>	<b>2,256</b>	-46	-2.0	Colombia
	People on total Group people	(%)	3.7	3.6	3.4	0.1	-	Colombia
	People on total Group Managers	(%)	3.1	2.6	2.7	0.5	-	Colombia
	People on total not Group Managers	(%)	3.7	3.6	3.4	0.1	-	Colombia
	<b>United States</b>	(no.)	<b>1,412</b>	<b>1,737</b>	<b>1,534</b>	-325	-18.7	United States
	People on total Group people	(%)	2.3	2.7	2.3	-0.4	-	United States
	People on total Group Managers	(%)	1.2	1.3	1.1	-0.1	-	United States
	People on total not Group Managers	(%)	2.3	2.7	2.3	-0.4	-	United States
<b>405-1 Workforce by age range and level</b>								
	<b>&lt;30</b>	(no.)	<b>7,661</b>	<b>8,543</b>	<b>7,761</b>	-882	-10.3	Enel
		(%)	<b>12.5</b>	<b>13.1</b>	<b>11.7</b>	-0.6	-	Enel
	- of whom Managers	(%)	-	-	-	-	-	Enel
	- of whom Middle Managers	(%)	2.3	2.9	2.4	-0.6	-	Enel
	- of whom White-collar	(%)	11.5	13.1	10.5	-1.6	-	Enel
	- of whom Blue-collar	(%)	23.6	22.2	20.7	1.4	-	Enel
	<b>30 - 50</b>	(no.)	<b>35,111</b>	<b>36,795</b>	<b>38,024</b>	-1,684	-4.6	Enel
		(%)	<b>57.6</b>	<b>56.5</b>	<b>57.4</b>	1.1	-	Enel
	- of whom Managers	(%)	49.7	51.4	46.8	-1.7	-	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	- of whom Middle Managers	(%)	64.1	65.0	56.9	-0.9	-	Enel
	- of whom White-collar	(%)	54.0	53.2	52.1	0.8	-	Enel
	- of whom Blue-collar	(%)	59.8	57.4	58.0	2.4	-	Enel
	<b>&gt;50</b>	(no.)	<b>18,283</b>	<b>19,786</b>	<b>20,494</b>	-1,503	-7.6	Enel
		(%)	<b>29.9</b>	<b>30.4</b>	<b>30.9</b>	-0.5	-	Enel
	- of whom Managers	(%)	50.3	48.6	46.2	1.7	-	Enel
	- of whom Middle Managers	(%)	33.6	32.1	27.4	1.5	-	Enel
	- of whom White-collar	(%)	34.5	33.8	33.1	0.7	-	Enel
	- of whom Blue-collar	(%)	16.6	20.4	21.3	-3.8	-	Enel
	<b>Average age</b>	(years)	<b>43.6</b>	<b>43.6</b>	<b>43.8</b>	-	-	Enel
<b>2-7</b>	<b>Workforce by type of contract and gender</b>							
	<b>Permanent contracts</b>	(no.)	<b>60,540</b>	<b>64,377</b>	<b>65,453</b>	-3,837	-6.0	Enel
	- of which men	(no.)	46,840	49,387	50,803	-2,547	-5.2	Enel
	- of which women	(no.)	13,700	14,989	14,650	-1,289	-8.6	Enel
	<b>Fixed-term contracts</b>	(no.)	<b>515</b>	<b>747</b>	<b>826</b>	-232	-31.1	Enel
	- of which men	(no.)	362	511	537	-149	-29.2	Enel
	- of which women	(no.)	153	236	289	-83	-35.2	Enel
	<b>Use of fixed-term contracts and inclusion/ Centre for Labor Training (CFL) of the total</b>	(%)	<b>0.8</b>	<b>1.1</b>	<b>1.2</b>	-0.3	-	Enel
	<b>Internship and traineeships</b>	(no.)	<b>971</b>	<b>799</b>	<b>1,083</b>	172	21.5	Enel
	<b>Temporary workers</b>	(no.)	<b>213</b>	<b>997</b>	<b>842</b>	-784	-78.6	Enel
<b>2-7</b>	<b>Workforce by type of contract and geographic area</b>							
	<b>Italy<sup>(1)</sup></b>	(no.)	<b>31,470</b>	<b>31,664</b>	<b>30,276</b>	-194	-0.6	Italy
	Permanent contracts	(no.)	31,467	31,662	30,263	-195	-0.6	Italy
	Fixed-term contracts	(no.)	3	2	13	1	50.0	Italy
	<b>Iberia<sup>(2)</sup></b>	(no.)	<b>9,504</b>	<b>9,643</b>	<b>9,518</b>	-139	-1.4	Iberia
	Permanent contracts	(no.)	9,384	9,423	9,281	-39	-0.4	Iberia
	Fixed-term contracts	(no.)	120	220	237	-100	-45.5	Iberia
	<b>Latin America<sup>(5)</sup></b>	(no.)	<b>17,471</b>	<b>17,361</b>	<b>18,763</b>	110	0.6	Latin America
	Permanent contracts	(no.)	17,096	16,893	18,304	203	1.2	Latin America
	Fixed-term contracts	(no.)	375	468	459	-93	-19.9	Latin America
	<b>Europe<sup>(3)</sup></b>	(no.)	<b>139</b>	<b>3,532</b>	<b>4,994</b>	-3,393	-96.1	Europe
	Permanent contracts	(no.)	139	3,495	4,883	-3,356	-96.0	Europe
	Fixed-term contracts	(no.)	-	37	111	-37	-100.0	Europe
	<b>North America<sup>(4)</sup></b>	(no.)	<b>1,747</b>	<b>2,100</b>	<b>1,914</b>	-353	-16.8	North America
	Permanent contracts	(no.)	1,733	2,086	1,909	-353	-16.9	North America
	Fixed-term contracts	(no.)	14	14	5	-	-	North America
	<b>Africa, Asia and Oceania<sup>(6)</sup></b>	(no.)	<b>724</b>	<b>824</b>	<b>814</b>	-100	-12.1	Africa, Asia and Oceania
	Permanent contracts	(no.)	721	818	813	-97	-11.9	Africa, Asia and Oceania
	Fixed-term contracts	(no.)	3	6	1	-3	-50.0	Africa, Asia and Oceania
<b>2-7</b>	<b>Workforce by type of contract and gender</b>							

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>Full-time contracts</b>	(no.)	<b>60,590</b>	<b>64,619</b>	<b>65,689</b>	-4,029	-6.2	Enel
	- of which men	(no.)	47,114	49,801	51,209	-2,687	-5.4	Enel
	- of which women	(no.)	13,476	14,818	14,480	-1,342	-9.1	Enel
	<b>Part-time contracts</b>	(no.)	<b>465</b>	<b>505</b>	<b>590</b>	-40	-7.9	Enel
	- of which men	(no.)	88	98	130	-10	-10.2	Enel
	- of which women	(no.)	377	407	460	-30	-7.4	Enel
	<b>Percentage of part-time</b>	(%)	0.8	0.8	0.9	-	-	Enel
	<b>Workforce by nationality</b>							
<b>DJSI 3.1.3</b>	<b>Total workforce</b>							
	Italy	(%)	51.2	48.3	45.4	2.9	-	Italy
	Brazil	(%)	13.3	11.5	13.5	1.8	-	Brazil
	Spain	(%)	15.2	14.4	14.0	0.8	-	Spain
	Argentina	(%)	5.8	6.0	6.0	-0.2	-	Argentina
	Colombia	(%)	3.8	3.6	3.4	0.2	-	Colombia
	Chile	(%)	3.2	3.2	3.2	-	-	Chile
	Other	(%)	7.5	8.0	9.4	-0.5	-	Other
	<b>Workforce in management positions (Manager and Middle Manager)</b>							
	Italy	(%)	50.8	49.0	47.8	1.8	-	Italy
	Brazil	(%)	4.9	4.8	5.1	-	-	Brazil
	Spain	(%)	30.6	29.7	29.0	0.9	-	Spain
	Argentina	(%)	1.8	2.1	2.1	-0.4	-	Argentina
	Colombia	(%)	2.3	2.2	2.1	0.1	-	Colombia
	Chile	(%)	2.8	2.7	2.9	0.1	-	Chile
	Other	(%)	6.8	7.1	8.3	-0.3	-	Other
<b>401-1</b>	<b>CHANGES TO SIZE</b>							
	Change in workforce numbers <sup>(7)</sup>							
	New hires	(no.)	3,837	6,412	5,401	-2,575	-40.2	Enel
	Changes in scope	(no.)	-3,868	-3,153	23	-715	22.7	Enel
	Terminations	(no.)	4,038	4,414	5,862	-376	-8.5	Enel
	<b>Balance</b>	(no.)	<b>-4,069</b>	<b>-1,155</b>	<b>-438</b>	-2,914	-	Enel
	<b>New hires</b>							
	<b>New hires by gender</b>	(no.)	<b>3,837</b>	<b>6,412</b>	<b>5,401</b>	-2,575	-40.2	Enel
	<b>Hiring rate<sup>(8)</sup></b>	(%)	6.3	9.8	8.1	-3.5	-	Enel
	- men	(no.)	3,153	4,356	3,764	-1,203	-27.6	Enel
		(%)	82.2	67.9	69.7	14.3	-	Enel
	- women	(no.)	684	2,056	1,637	-1,372	-66.7	Enel
		(%)	17.8	32.1	30.3	-14.3	-	Enel
	<b>New hires by age range</b>	(no.)	<b>3,837</b>	<b>6,412</b>	<b>5,401</b>	-2,575	-40.2	Enel
	up to 30	(no.)	1,627	3,359	2,579	-1,732	-51.6	Enel
		(%)	42.4	52.4	47.8	-10.0	-	Enel
	30 - 50 years old	(no.)	2,054	2,905	2,653	-851	-29.3	Enel
		(%)	53.5	45.3	49.1	8.2	-	Enel
	over 50	(no.)	156	148	169	8	5.4	Enel
		(%)	4.1	2.3	3.1	1.8	-	Enel
	<b>New hires by geographic area</b>							
	<b>Italy<sup>(1)</sup></b>	(no.)	<b>1,036</b>	<b>2,866</b>	<b>1,697</b>	-1,830	-63.9	Italy
		(%)	27.0	44.7	5.6	-17.7	-39.6	Italy



GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>Iberia<sup>(2)</sup></b>	(no.)	<b>395</b>	<b>741</b>	<b>694</b>	-346	-46.7	Iberia
		(%)	10.3	11.6	7.3	-1.3	-	Iberia
	<b>Europe<sup>(3)</sup></b>	(no.)	<b>104</b>	<b>443</b>	<b>439</b>	-339	-76.5	Europe
		(%)	2.7	6.9	8.8	-4.2	-	Europe
	<b>North America<sup>(4)</sup></b>	(no.)	<b>253</b>	<b>614</b>	<b>636</b>	-361	-58.8	North America
		(%)	6.6	9.6	33.2	-3.0	-	North America
	<b>Latin America<sup>(5)</sup></b>	(no.)	<b>1,921</b>	<b>1,542</b>	<b>1,704</b>	379	24.6	Latin America
		(%)	50.1	24.0	9.1	26.1	-	Latin America
	<b>Africa, Asia and Oceania<sup>(6)</sup></b>	(no.)	<b>128</b>	<b>206</b>	<b>232</b>	-78	-37.9	Africa, Asia and Oceania
		(%)	3.3	3.2	28.5	0.1	-	Africa, Asia and Oceania
	<b>Open positions filled by internal candidates</b>	(%)	<b>37.0</b>	<b>9.4</b>	<b>9.3</b>	276	-	Enel
	<b>Terminations</b>							
	<b>Causes</b>	(no.)	<b>4,038</b>	<b>4,414</b>	<b>5,862</b>	-376	-8.5	Enel
	Voluntary terminations	(no.)	1,385	1,477	1,271	-92	-6.2	Enel
	Incentive based terminations	(no.)	1,316	1,853	3,532	-537	-29.0	Enel
	Retirements and other	(no.)	1,337	1,084	1,060	253	23.3	Enel
	<b>Terminations by gender</b>							
	- men	(no.)	3,093	3,391	4,779	-298	-8.8	Enel
		(%)	76.6	76.8	81.5	-0.2	-	Enel
	- women	(no.)	945	1,023	1,083	-78	-7.6	Enel
		(%)	23.4	23.2	18.5	0.2	-	Enel
	<b>Terminations by age range</b>							
	up to 30	(no.)	497	655	702	-158	-24.1	Enel
		(%)	12.3	14.8	12.0	-2.5	-	Enel
	30 - 50 years old	(no.)	1,804	1,759	2,275	45	2.6	Enel
		(%)	44.7	39.9	38.8	4.8	-	Enel
	over 50	(no.)	1,737	2,000	2,885	-263	-13.2	Enel
		(%)	43.0	45.3	49.2	-2.3	-	Enel
	<b>Terminations by country</b>							
	<b>Italy<sup>(1)</sup></b>	(no.)	<b>1,230</b>	<b>1,224</b>	<b>1,249</b>	6	0.5	Italy
		(%)	30.5	27.7	4.1	2.7	-	Italy
	<b>Iberia<sup>(2)</sup></b>	(no.)	<b>534</b>	<b>578</b>	<b>956</b>	-44	-7.6	Iberia
		(%)	13.2	13.1	10.0	0.1	-	Iberia
	<b>Europe<sup>(3)</sup></b>	(no.)	<b>174</b>	<b>454</b>	<b>406</b>	-280	-61.7	Europe
		(%)	4.3	10.3	8.1	-6.0	-	Europe
	<b>North America<sup>(4)</sup></b>	(no.)	<b>606</b>	<b>428</b>	<b>361</b>	178	41.6	North America
		(%)	15.0	9.7	18.9	5.3	-	North America
	<b>Latin America<sup>(5)</sup></b>	(no.)	<b>1,348</b>	<b>1,534</b>	<b>2,779</b>	-186	-12.1	Latin America
		(%)	33.4	34.8	14.8	-1.4	-	Latin America
	<b>Africa, Asia and Oceania<sup>(6)</sup></b>	(no.)	<b>146</b>	<b>196</b>	<b>111</b>	-50	-25.5	Africa, Asia and Oceania

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
		(%)	3.6	4.4	13.6	-0.8	-	Africa, Asia and Oceania
	<b>Turnover rate<sup>(9)</sup></b>	(%)	<b>6.6</b>	<b>6.8</b>	<b>8.8</b>	-0.2	-	Enel
	<b>Turnover rate by gender</b>							
	- men	(%)	6.6	6.8	9.5	-0.2	-	Enel
	- women	(%)	6.8	6.7	7.5	0.1	-	Enel
	<b>Turnover rate by age range</b>							
	up to 30	(%)	6.5	7.7	9.0	-1.2	-	Enel
	30 - 50 years old	(%)	5.1	4.8	6.0	0.4	-	Enel
	over 50	(%)	9.5	10.1	14.1	-0.6	-	Enel
	<b>Voluntary turnover rate</b>	(%)	<b>2.3</b>	<b>2.3</b>	<b>1.9</b>	-	-	Enel
	<b>Voluntary turnover rate by gender</b>							
	- men	(%)	1.6	1.6	1.3	-	-	Enel
	- women	(%)	0.6	0.7	0.6	-0.1	-	Enel
	<b>Voluntary turnover rate by age range</b>							
	up to 30	(%)	0.5	0.6	0.5	0.3	-	Enel
	30 - 50 years old	(%)	1.7	1.5	1.3	0.7	-	Enel
	over 50	(%)	0.1	0.1	0.1	-0.1	-	Enel
<b>ENHANCEMENT</b>								
<b>404-3 Assessment<sup>(10)</sup></b>								
	<b>Dissemination of assessment</b>	(%)	<b>89.3</b>	<b>87.0</b>	<b>89.2</b>	2.3	-	Enel
	- men	(%)	88.5	86.4	88.6	2.1	-	Enel
	- women	(%)	91.7	89.0	91.4	2.7	-	Enel
	<b>People assessed by level</b>							
	Manager	(%)	96.3	97.3	97.2	-1.0	-	Enel
	Middle Manager	(%)	94.4	92.6	93.2	1.8	-	Enel
	White-collar	(%)	91.0	88.2	88.6	2.8	-	Enel
	Blue-collar	(%)	81.2	79.3	79.1	1.9	-	Enel
	<b>Rewarding</b>							
	<b>Dissemination of incentives</b>	(%)	<b>44.2</b>	<b>41.5</b>	<b>43.1</b>	2.7	-	Enel
	Employees with incentive by level	(no.)	26,963	27,050	28,568	-87	-0.3	Enel
	- of whom Managers	(no.)	1,301	1,349	1,351	-48	-3.6	Enel
	- of whom Middle Managers	(no.)	8,286	8,224	7,915	62	0.8	Enel
	- of whom White-collar and Blue-collar	(no.)	17,377	17,477	19,308	-100	-0.6	Enel
	Percentage of sustainability objectives assigned	(%)	31.3	25.3	30.0	6.0	-	Enel
<b>404-1 Training</b>								
	<b>Training hours by employees</b>	(h/per-cap)	<b>48.1</b>	<b>47.4</b>	<b>44.6</b>	0.7	1.5	Enel
	<b>by gender:</b>							
	- men	(h/per-cap)	50.7	48.3	46.5	2.4	5.0	Enel
	- women	(h/per-cap)	39.7	44.3	37.7	-4.6	-10.4	Enel
	<b>by level:</b>							
	Manager	(h/per-cap)	34.0	44.1	29.6	-10.1	-22.9	Enel
	Middle Manager	(h/per-cap)	42.9	47.4	41.9	-4.5	-9.5	Enel
	White-collar	(h/per-cap)	40.3	43.0	38.4	-2.7	-6.3	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Blue-collar	(h/per-cap)	69.3	57.1	60.3	12.2	21.4	Enel
<b>Training hours by type</b>								
	<b>Total training hours</b>	(,000 h)	<b>3,099</b>	<b>3,151</b>	<b>2,943</b>	-52	-1.7	Enel
	Online training hours	(,000 h)	1,669	1,943	513	-274	-14.1	Enel
	- for managerial training	(,000 h)	380	344	204	36	10.4	Enel
	- for specialist training	(,000 h)	1,290	1,599	309	-309	-19.4	Enel
	Training hours in the classroom	(,000 h)	1,429	1,208	2,430	221	18.3	Enel
	- for managerial training	(,000 h)	101	57	189	45	78.6	Enel
	- for specialist training	(,000 h)	1,328	1,151	2,241	177	15.4	Enel
	<b>Proportion of online training</b>	(%)	<b>53.9</b>	<b>61.7</b>	<b>17.4</b>	-7.8	-	Enel
	<b>Total training hours by level</b>	(,000 h)	<b>3,099</b>	<b>3,151</b>	<b>2,943</b>	-52	-1.7	Enel
	Manager	(,000 h)	47	61	41	-14	-23.7	Enel
	Middle Manager	(,000 h)	540	593	494	-54	-9.1	Enel
	White-collar	(,000 h)	1,367	1,532	1,362	-166	-10.8	Enel
	Blue-collar	(,000 h)	1,146	964	1,045	182	18.9	Enel
<b>Training on sustainability</b>								
	Training <i>per capita</i> on sustainability	(h/per-cap)	32.2	27.9	26.7	4.3	15.4	Enel
	Total training hours on sustainability issues	(,000 h)	2,075	1,830	1,763	245	13.4	Enel
	Digitalization	(,000 h)	480	431	410	48	11.2	Enel
	Environment	(,000 h)	32	28	58	4	15.0	Enel
	Safety	(,000 h)	1,452	1,244	1,188	208	16.7	Enel
	Human rights	(,000 h)	9	7	7	2	31.3	Enel
	Code of Ethics	(,000 h)	11	15	11	-4	-26.1	Enel
	Other <sup>(1)</sup>	(,000 h)	114	128	88	-14	-10.8	Enel
<b>Training on anti-corruption policies and procedures communication</b>								
<b>205-2</b>	<b>Total training</b>	(no.)	<b>30,304</b>	<b>30,564</b>	<b>20,074</b>	-260	-0.9	Enel
		(%)	49.6	46.9	30.3	2.7	-	Enel
<b>Training by geographic area</b>								
	Italy	(no.)	15,952	17,882	10,443	-1,930	-10.8	Italy
	Italy	(%)	50.7	56.5	34.5	-5.8	-	Italy
	Iberia	(no.)	4,038	4,922	3,564	-884	-18.0	Iberia
	Iberia	(%)	42.5	51.0	37.4	-9	-	Iberia
	Latin America	(no.)	8,662	5,532	3,339	3,130	56.6	Latin America
	Latin America	(%)	49.6	31.9	17.8	177	-	Latin America
	Europe	(no.)	131	426	1,050	-295	-69.2	Europe
	Europe	(%)	94.2	12.1	21.0	82.1	-	Europe
	Africa, Asia and Oceania	(no.)	574	122	225	452	-	Africa, Asia and Oceania
	Asia and Oceania	(%)	79.3	14.8	277	64.5	-	Asia and Oceania
	North America	(no.)	947	1,682	1,453	-735	-43.7	North America
	North America	(%)	54.2	80.1	75.9	-25.9	-	North America
<b>Training by level:</b>								
	Manager	(no.)	631	753	487	-122	-16.2	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
		(%)	48.2	55.1	35.4	-6.9	-	Enel
	Middle Manager	(no.)	6,545	6,133	4,588	412	6.7	Enel
		(%)	52.8	48.5	37.5	4.3	-	Enel
	White-collar	(no.)	17,464	16,106	11,251	1,358	8.4	Enel
		(%)	55.8	46.5	31.6	9.3	-	Enel
	Blue-collar	(no.)	5,664	7,652	3,747	-1,988	-26.0	Enel
		(%)	35.3	46.4	21.9	-11.1	-	Enel
<b>201-3</b>	<b>CORPORATE WELFARE</b>							
	Employees covered by Pension Plan (Benefit Plan)	(no.)	53,229	52,497	53,862	732	1.4	Enel
	Employees covered by Pension Plan (Benefit Plan)	(%)	87.2	80.6	81.3	6.6	-	Enel
<b>EU15</b>	<b>Employees entitled to retire in next 5 to 10 years</b>							
	<b>Pension within 5 years-Enel Group</b>							
	Manager	(%)	4.5	4.4	4.5	0.1	-	Enel
	Middle Manager	(%)	6.2	5.4	5.0	0.8	-	Enel
	White-collar	(%)	9.6	7.8	7.1	1.8	-	Enel
	Blue-collar	(%)	6.3	5.1	3.8	1.2	-	Enel
	Media	(%)	7.9	6.5	5.7	1.4	-	Enel
	<b>Pension within 10 years-Enel Group</b>							
	Manager	(%)	21.8	21.8	20.8	-	-	Enel
	Middle Manager	(%)	18.9	18.3	17.3	0.6	-	Enel
	White-collar	(%)	25.3	24.0	22.9	1.3	-	Enel
	Blue-collar	(%)	14.4	14.8	12.6	-0.4	-	Enel
	Media	(%)	21.1	20.5	19.1	0.6	-	Enel
<b>401-3</b>	<b>MATERNITY/PATERNITY-Parental Leave</b>							
	<b>Employees entitled to parental leave</b>	(no.)	<b>2,600</b>	<b>2,756</b>	<b>2,605</b>	-156	-5.7	Enel
	Men	(no.)	1,798	1,845	1,694	-47	-2.5	Enel
	Women	(no.)	802	911	911	-109	-12.0	Enel
	<b>Parental leave by gender</b>	(no.)	<b>2,600</b>	<b>2,604</b>	<b>2,605</b>	-4	-0.2	Enel
	Men	(no.)	1,798	1,725	1,694	73	4.2	Enel
	Women	(no.)	802	879	911	-77	-8.8	Enel
	<b>Return to work rate of employees that took parental leave</b>	(no.)	<b>2,471</b>	<b>2,493</b>	<b>2,840</b>	-22	-0.9	Enel
	Men	(no.)	1,770	1,654	1,633	116	7.0	Enel
	Women	(no.)	701	839	847	-138	-16.4	Enel
	<b>Return-to-work rate of employees who took parental leave</b>	(%)	<b>95.0</b>	<b>95.7</b>	<b>95.0</b>	-0.7	-	Enel
	Men	(%)	98.4	95.9	96.3	2.5	-	Enel
	Women	(%)	87.4	95.4	92.7	-8.0	-	Enel
	<b>Retention rate<sup>(12)</sup></b>	(%)	<b>97.7</b>	<b>89.7</b>	<b>97.0</b>	8.0	-	Enel
	Men	(%)	98.9	91.2	95.3	7.7	-	Enel
	Women	(%)	95.2	87.0	100.0	8.2	-	Enel
	<b>EQUAL OPPORTUNITIES</b>							
	<b>Number of female Managers and Managers</b>	(no.)	<b>4,447</b>	<b>4,463</b>	<b>4,164</b>	-16	-0.4	Enel
	<b>Percentage of female Managers and Middle Managers<sup>(13)</sup></b>	(%)	<b>32.5</b>	<b>31.8</b>	<b>30.6</b>	0.7	-	Enel
	<b>Percentage of women in the managerial succession plans</b>	(%)	<b>47.2</b>	<b>46.1</b>	-	1.1	-	Enel
	<b>Percentage of women in succession plans for Top Managers</b>	(%)	<b>50.4</b>	<b>49.6</b>	-	0.8	-	Enel
<b>405-2</b>	<b>Ratio of gross annual salary women to men</b>							
	<b>Ratio of basic salary women/men<sup>(14)</sup></b>							

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Manager	(%)	84.5	83.9	84.6	0.6	-	Enel
	Middle Manager	(%)	93.9	92.8	94.2	1.1	-	Enel
	White-collar	(%)	92.1	88.8	88.4	3.3	-	Enel
	Blue-collar	(%)	101.4	125.0	111.2	-23.6	-	Enel
	<b>Pay ratio women/men<sup>(15)</sup></b>							
	Manager	(%)	81.4	80.7	81.1	0.7	-	Enel
	Middle Manager	(%)	92.8	91.9	93.2	0.9	-	Enel
	White-collar	(%)	92.5	89.3	88.4	3.2	-	Enel
	Blue-collar	(%)	102.1	125.4	112.0	-23.3	-	Enel
<b>405-1</b>	<b>Disabled or belonging to protected categories</b>							
	<b>By gender</b>	(no.)	<b>2,046</b>	<b>2,129</b>	<b>2,152</b>	-83	-3.9	Enel
		(%)	<b>3.4</b>	<b>3.3</b>	<b>3.2</b>	0.1	-	Enel
	- of which men	(no.)	1,416	1,471	1,480	-55	-3.7	Enel
		(%)	69.2	69.1	68.8	0.1	-	Enel
	- of which women	(no.)	630	658	672	-28	-4.3	Enel
		(%)	30.8	30.9	31.2	-0.1	-	Enel
	<b>By age range</b>	(no.)	<b>2,046</b>	<b>2,129</b>	<b>2,152</b>	-83	-3.9	Enel
	- up to 30 years of age	(no.)	31	40	44	-9	-22.5	Enel
		(%)	0.4	0.5	0.1	-0.1	-	Enel
	- from 30-50 years of age	(no.)	931	982	985	-51	-5.2	Enel
		(%)	2.7	2.7	1.5	-	-	Enel
	- over 50 years of age	(no.)	1,084	1,107	1,123	-23	-2.1	Enel
		(%)	5.9	5.6	1.7	0.3	-	Enel
	<b>Disabled or belonging to protected categories by level</b>							
	Manager	(no.)	4	4	3	-	-	Enel
		(%)	0.3	0.3	-	-	-	Enel
	Middle Manager	(no.)	213	201	167	12	6.0	Enel
		(%)	1.7	1.6	0.3	0.1	-	Enel
	White-collar	(no.)	1,647	1,766	1,814	-119	-6.7	Enel
		(%)	5.3	5.1	2.7	0.2	-	Enel
	Blue-collar	(no.)	182	158	168	24	15.2	Enel
		(%)	1.1	1.0	0.3	0.1	-	Enel
	<b>Smart working</b>							
	Actual users of smartworking	(no.)	35,668	36,473	38,403	-805	-2.2	Enel
	Potential users of smartworking	(no.)	36,386	36,707	39,115	-321	-0.9	Enel
	Incidence of smartworking	(%)	98.0	99.4	98.2	-1.4	-	Enel
<b>2-30</b>	<b>RELATIONS WITH UNIONS</b>							
	<b>Union membership in the electricity sector<sup>(16)</sup></b>	(%)	<b>46.6</b>	<b>47.3</b>	<b>49.3</b>	-0.7	-	Enel
	<b>Employees covered by collective agreements, by geographic area:</b>							
	<b>Total Enel</b>	(no.)	<b>55,417</b>	<b>59,256</b>	<b>59,582</b>	-3,839	-6.5	Enel
		(%)	90.8	91.0	89.9	-0.2	-	Enel
	<b>Italy</b>	(no.)	<b>31,449</b>	<b>31,643</b>	<b>30,148</b>	-194	-0.6	Italy
		(%)	99.9	99.9	99.6	-	-	Italy
	<b>Iberia</b>	(no.)	<b>8,353</b>	<b>8,213</b>	<b>8,687</b>	140	1.7	Iberia
		(%)	87.9	85.2	91.3	2.7	-	Iberia
	<b>Europe</b>	(no.)	-	<b>3,252</b>	<b>4,391</b>	-3,252	-	Europe
		(%)	-	92.1	87.9	-92.1	-	Europe

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>Latin America</b>	(no.)	<b>15,563</b>	<b>16,089</b>	<b>16,317</b>	-526	-3.3	Latin America
		(%)	89.1	92.7	87.0	-3.6	-	Latin America
	<b>North America</b>	(no.)	<b>52</b>	<b>59</b>	<b>39</b>	-7	-11.9	North America
		(%)	3.0	2.8	2.0	0.2	-	North America
	<b>Africa, Asia and Oceania</b>	(no.)	-	-	-	-	-	Africa, Asia and Oceania
		(%)	-	-	-	-	-	Africa, Asia and Oceania
<b>Disputes with employees</b>								
	<b>Total proceedings</b>	(no.)	<b>7,700</b>	<b>7,786</b>	<b>9,384</b>	-86	-1.1	Enel
	<b>Incidence of proceedings as defendant</b>	(%)	<b>98.4</b>	<b>98.7</b>	<b>98.9</b>	-0.3	-	Enel

- (1) Include Branch Enel Trading (Singapore) and the Dutch financial companies.
- (2) Includes International Endesa BV (IEBV).
- (3) Beginning 2023 the following countries are considered within this scope: Greece, France, Germany, Turkey, United Kingdom, Ireland, Norway, Poland and Sweden.
- (4) Countries considered within the scope: USA, Canada and Mexico.
- (5) The following countries are considered within the perimeter: Argentina, Brazil, Chile, Colombia, Peru, Costa Rica, Guatemala and Panama.
- (6) The following countries are considered within the scope: India, Kenya, South Africa, Zambia, Australia, Morocco, Singapore, Japan, Taiwan, New Zealand, China, South Korea and Vietnam.
- (7) In 2022, there was a change in scope due to the sale of the companies: Enel Generación Costanera and Central Dock Sud SA in Argentina; USME ZE SAS and FONTIBON ZE SAS in Colombia; Avikiran Solar India Private Limited in India; Enel Green Power Australia in Australia; and the divestment of the Romania and Greece perimeters.
- (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 head counts 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) Job classification index = women Managers + Middle Managers/total Managers + Middle Managers.
- (14) The overall ERR calculation on the theoretical base salary data for 2023 was 109.4%, for 2022 it was 104.7%, while for 2021 it was 104.8%. For 2023, the overall Adjusted ERR, calculated as the average of the ERRs of each category weighted by the weight of each category in the total population, was 94.8%.
- (15) For 2023, the overall ERR calculation on the theoretical total remuneration data was 110.1%, for 2022 it was 105.4%, while for 2021 it was 105.1%. For 2023, the overall Adjusted ERR, calculated as the average of the ERRs of each category weighted by the weight of each category in the total population is 94.9%.
- (16) The figure for 2022 and 2021 takes into account a more precise determination by including Italy-based Executives in the calculation.

# Sustainable supply chain

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>NATURE OF SUPPLIERS</b>								
	<b>Suppliers with an active contract</b>	(no.)	<b>14,001</b>	<b>20,434</b>	<b>22,452</b>	-6,433	-31.5	Enel
	<b>Number of suppliers with which a new contract was signed in the year</b>	(no.)	<b>5,134</b>	<b>6,213</b>	<b>6,066</b>	-1,079	-17.4	Enel
<b>308-1</b>	<b>- of which underwent environmental assessment</b>	(%)	<b>100</b>	<b>100</b>	<b>100</b>	-	-	Enel
<b>414-1</b>	<b>- of which underwent a social assessment</b>	(%)	<b>100</b>	<b>100</b>	<b>100</b>	-	-	Enel
	<b>Number of new contracts signed during the year</b>	(no.)	<b>12,191</b>	<b>13,671</b>	<b>12,272</b>	-1,480	-10.8	Enel
<b>2-8</b>	<b>Workforce of contracting and subcontracting companies<sup>(1)</sup></b>	(no.)	<b>150,820</b>	<b>172,854</b>	<b>170,397</b>	-22,034	-12.7	Enel
<b>EU17</b>	<b>FTE days worked by employees of contracting and subcontracting firms<sup>(2)</sup></b>	(,000 d)	<b>33,169</b>	<b>38,028</b>	<b>37,492</b>	-4,859	-12.8	Enel
	Construction activity	(,000 d)	10,281	11,390	14,499	-1,109	-9.7	Enel
	Operating and maintenance activity	(,000 d)	22,888	26,638	22,993	-3,750	-14.1	Enel
	- of which operating activity	(,000 d)	6,866	7,991	6,898	-1,125	-14.1	Enel
	- of which maintenance activity	(,000 d)	16,022	18,647	16,095	-2,625	-14.1	Enel
<b>204-1</b>	<b>Local suppliers of materials and services<sup>(3)</sup></b>							
	Local suppliers with contracts >1 mil euros	(no.)	1,827	1,684	1,566	143	8.5	Enel
	Foreign suppliers with contracts >1 mil euros	(no.)	220	225	165	-5	-2.2	Enel
	Spending on local suppliers with contracts > 1 mil euros	(mil euros)	14,182	17,411	14,484	-3,229	-18.5	Enel
	Expenditure vs. foreign suppliers with contracts of > 1 mil euro	(mil euros)	2,497	2,837	2,831	-340	-12.0	Enel
	Concentration of spending on local suppliers	(%)	86	86	86	-	-	Enel
	Concentration of spending on foreign suppliers	(%)	14	14	14	-	-	Enel
	<b>Purchases of materials and services</b>	(mil euros)	<b>17,796</b>	<b>22,099</b>	<b>17,030</b>	-4,303	-19.5	Enel
	Supplies	(mil euros)	4,960	7,820	6,510	-2,860	-36.6	Enel
	Works	(mil euros)	6,447	4,492	3,776	1,955	43.5	Enel
	Services	(mil euros)	6,388	9,788	6,744	-3,400	-34.7	Enel
<b>Management instruments</b>								
	<b>Active qualified companies</b>	(no.)	<b>8,277</b>	<b>9,427</b>	<b>6,717</b>	-1,150	-12.2	Enel
	<b>Online tenders as percentage of all tenders</b>	(%)	<b>94.7</b>	<b>95.4</b>	<b>83.5</b>	-0.7	-	Enel
	<b>Online purchases as percentage of all purchases</b>	(%)	<b>94.3</b>	<b>91.8</b>	<b>70.3</b>	2.5	-	Enel
	<b>Use of prescription</b>	(%)	<b>9.4</b>	<b>32.4</b>	<b>16.0</b>	-23.0	-	Enel
<b>Disputes involving suppliers</b>								
	<b>Total proceedings<sup>(4)</sup></b>	(no.)	<b>436</b>	<b>512</b>	<b>785</b>	-76	-14.8	Enel
	<b>Incidence of proceedings as defendant</b>	(%)	<b>56.0</b>	<b>63.9</b>	<b>68.7</b>	-7.9	-	Enel

(1) Calculated in FTE (Full Time Equivalent).

(2) The figures for 2022 and 2021 include a more specific determination.

(3) "Local suppliers" are defined as suppliers with their registered office in the country where the supply contract was issued.

(4) The 2022 values include a more specific determination.

# Engaging communities

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>203-1</b>	<b>INITIATIVES IN FAVOR OF THE COMMUNITY</b>							
	<b>Contributions to communities - LBG method</b>							
	Charitable donations	(mil euros)	16.5	14.5	9.8	2.1	14.2	Enel
	Investments in communities	(mil euros)	74.8	77.2	56.2	-2.4	-3.2	Enel
	Commercial initiatives with a social impact	(mil euros)	26.4	28.3	25.2	-1.9	-6.7	Enel
	<b>Total (expense + investments)</b>	(mil euros)	<b>117.7</b>	<b>120.0</b>	<b>91.1</b>	-2.3	-1.9	Enel
	<b>Initiatives in favor of communities by type of contribution</b>							
	Cash contribution	(mil euros)	98.4	103.4	81.7	-5.0	-4.8	Enel
	Employee volunteerism	(mil euros)	0.7	0.8	0.4	-	-	Enel
	Donations in kind (goods/services/projects)	(mil euros)	8.0	7.5	2.5	0.6	7.7	Enel
	Management overheads	(mil euros)	10.5	8.3	6.6	2.2	26.1	Enel
	<b>Total</b>	(mil euros)	<b>117.7</b>	<b>120.0</b>	<b>91.1</b>	-2.3	-1.9	Enel
<b>EU25</b>	<b>SAFETY FOR COMMUNITIES</b>							
	<b>Third-party injuries<sup>(1)</sup></b>							
	<b>Severe and fatal third-party injuries</b>	(no.)	<b>261</b>	<b>239</b>	<b>286</b>	22	9.2	Enel
	- fatal	(no.)	95	86	86	9	10.5	Enel
	- serious	(no.)	166	153	200	13	8.5	Enel
	<b>Third-party injuries by type</b>							
	Electricity injuries	(%)	95.0	96.7	92.3	-1.7	-	Enel
	Road accidents against Group infrastructure	(%)	3.4	1.3	4.5	2.1	-	Enel
	Accidents for other reasons (slipping, falling from height, crash-crush-cut)	(%)	1.5	2.1	3.1	-0.6	-	Enel
	<b>Causes of electrical accidents</b>							
	Construction activities near power lines	(%)	65.1	60.7	65.7	4.4	-	Enel
	Attempted theft	(%)	18.0	23.8	11.9	-5.8	-	Enel
	Other <sup>(2)</sup>	(%)	11.9	12.1	14.7	-0.2	-	Enel

(1) The 2022 and 2021 values were recalculated following a reclassification of events.

(2) Mainly due to accidental contact with metal wires, agricultural work and plant cutting activities, among other things.



# Health and safety of people

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>SAFETY</b>								
<b>Number of hours worked</b>								
	<b>Total hours worked</b>	(no.)	<b>385,898,158</b>	<b>427,847,104</b>	<b>423,361,542</b>	-41,948,946	-9.8	Enel
	<b>Hours worked Enel</b>	(no.)	<b>120,546,008</b>	<b>123,624,403</b>	<b>123,421,139</b>	-3,078,395	-2.5	Enel
	<b>Hours worked by contractor personnel</b>	(no.)	<b>265,352,150</b>	<b>304,222,701</b>	<b>299,940,403</b>	-38,870,551	-12.7	Enel
<b>403-9</b>	<b>Number of fatal accidents and frequency rate<sup>(1)</sup></b>							
	<b>Total fatalities</b>	(no.)	<b>11</b>	<b>6</b>	<b>9</b>	5	83.3	Enel
	<b>Fatal accidents Enel</b>	(no.)	<b>3</b>	<b>1</b>	<b>3</b>	2	-	Enel
	<b>Fatal accidents involving contractors</b>	(no.)	<b>8</b>	<b>5</b>	<b>6</b>	3	60.0	Enel
	<b>Fatal accidents by geographic area</b>							
	<b>Enel people</b>							
	Italy	(no.)	-	-	2	-	-	Italy
	Iberia	(no.)	-	-	-	-	-	Iberia
	Latin America	(no.)	1	-	1	1	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	2	1	-	1	100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(no.)	2	1	1	1	100.0	Italy
	Iberia	(no.)	1	-	1	1	-	Iberia
	Latin America	(no.)	5	4	4	1	25.0	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Fatality frequency rate</b>							
	<b>Total accident frequency rate</b>	(i)	<b>0.029</b>	<b>0.014</b>	<b>0.021</b>	0.015	100.0	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>0.025</b>	<b>0.008</b>	<b>0.024</b>	0.017	-	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>0.030</b>	<b>0.016</b>	<b>0.020</b>	0.014	87.5	Enel
	<b>Fatal accident frequency rate by geographic area</b>							
	<b>Enel people</b>							
	Italy	(i)	-	-	0.035	-	-	Italy
	Iberia	(i)	-	-	-	-	-	Iberia
	Latin America	(i)	0.030	-	0.028	0.030	-	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.365	0.129	-	0.236	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(i)	0.031	0.018	0.019	0.013	72.2	Italy
	Iberia	(i)	0.024	-	0.025	0.024	-	Iberia
	Latin America	(i)	0.034	0.021	0.022	0.013	61.9	Latin America
	North America	(i)	-	-	-	-	-	North America

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Number of Life Changing Accidents (LCA)<sup>(2)</sup></b>							
	<b>Total LCA injuries</b>	(no.)	<b>1</b>	<b>2</b>	<b>4</b>	-1	-50.0	Enel
	<b>LCAs Enel</b>	(no.)	<b>-</b>	<b>-</b>	<b>1</b>	-	-	Enel
	<b>LCAs involving contractors</b>	(no.)	<b>1</b>	<b>2</b>	<b>3</b>	-1	-50.0	Enel
	<b>LCAs by geographic area</b>							
	<b>Enel people</b>							
	Italy	(no.)	-	-	-	-	-	Italy
	Iberia	(no.)	-	-	-	-	-	Iberia
	Latin America	(no.)	-	-	1	-	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractors</b>							
	Italy	(no.)	-	-	-	-	-	Italy
	Iberia	(no.)	-	-	1	-	-	Iberia
	Latin America	(no.)	1	2	2	-1	-50.0	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	<b>LCA frequency rate</b>							
	<b>Total accident frequency rate</b>	(i)	<b>0.003</b>	<b>0.005</b>	<b>0.009</b>	-0.002	-40.0	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>-</b>	<b>-</b>	<b>0.008</b>	-	-	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>0.004</b>	<b>0.007</b>	<b>0.010</b>	-0.003	-42.9	Enel
	<b>Frequency rate of LCAs by geographic area</b>							
	<b>Enel people</b>							
	Italy	(i)	-	-	-	-	-	Italy
	Iberia	(i)	-	-	-	-	-	Iberia
	Latin America	(i)	-	-	0.028	-	-	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(i)	-	-	-	-	-	Italy
	Iberia	(i)	-	-	0.025	-	-	Iberia
	Latin America	(i)	0.007	0.011	0.011	-0.004	-36.4	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>Number of high potential (HiPo) accidents<sup>(3)</sup></b>								
	<b>Total HiPo accidents</b>	(no.)	<b>27</b>	<b>31</b>	<b>40</b>	-4	-12.9	Enel
	<b>HiPo accidents Enel</b>	(no.)	<b>6</b>	<b>7</b>	<b>8</b>	-1	-14.3	Enel
	<b>HiPos involving contractors</b>	(no.)	<b>21</b>	<b>24</b>	<b>32</b>	-3	-12.5	Enel
<b>Number of High Potential accidents (HiPo) by geographic area</b>								
<b>Enel people</b>								
	Italy	(no.)	1	7	5	-6	-85.7	Italy
	Iberia	(no.)	-	-	1	-	-	Iberia
	Latin America	(no.)	4	-	1	4	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	1	-	1	1	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
<b>Contractors</b>								
	Italy	(no.)	7	9	2	-2	-22.2	Italy
	Iberia	(no.)	4	5	9	-1	-20.0	Iberia
	Latin America	(no.)	9	10	19	-1	-10.0	Latin America
	North America	(no.)	-	-	1	-	-	North America
	Europe	(no.)	1	-	-	1	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	1	-	-	Africa, Asia and Oceania
<b>HiPo frequency rate</b>								
	<b>Total accident frequency rate</b>	(i)	<b>0.070</b>	<b>0.072</b>	<b>0.094</b>	-0.002	-2.8	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>0.050</b>	<b>0.057</b>	<b>0.065</b>	-0.007	-12.3	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>0.079</b>	<b>0.079</b>	<b>0.107</b>	-	-	Enel
<b>HiPo fatal injury frequency rate by geographic area</b>								
<b>Enel people</b>								
	Italy	(i)	0.017	0.120	0.089	-0.103	-85.8	Italy
	Iberia	(i)	-	-	0.061	-	-	Iberia
	Latin America	(i)	0.121	-	0.028	0.121	-	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.182	-	0.106	0.182	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
<b>Contractor company personnel</b>								
	Italy	(i)	0.108	0.160	0.038	-0.052	-32.5	Italy
	Iberia	(i)	0.097	0.116	0.227	-0.019	-16.4	Iberia
	Latin America	(i)	0.061	0.054	0.105	0.007	13.0	Latin America
	North America	(i)	-	-	0.158	-	-	North America
	Europe	(i)	0.225	-	-	0.225	-	Europe
	Africa, Asia and Oceania	(i)	-	-	0.104	-	-	Africa, Asia and Oceania
<b>Number of accidents with absence from work for more than 3 days</b>								

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>Number of accidents with absence from work of more than 3 days in total</b>	(no.)	<b>194</b>	<b>152</b>	<b>180</b>	42	27.6	Enel
	<b>Number of accidents with absence from work of more than 3 days Enel</b>	(no.)	<b>71</b>	<b>59</b>	<b>61</b>	12	20.3	Enel
	<b>Number of accidents with absence from work of more than 3 days contractor personnel</b>	(no.)	<b>123</b>	<b>93</b>	<b>119</b>	30	32.3	Enel
	<b>Number of accidents with absence from work of more than 3 days by geographic area</b>							
	<b>Enel people</b>							
	Italy	(no.)	46	37	41	9	24.3	Italy
	Iberia	(no.)	4	2	2	2	100.0	Iberia
	Latin America	(no.)	17	18	18	-1	-5.6	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	4	2	-	2	100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(no.)	67	39	37	28	71.8	Italy
	Iberia	(no.)	18	17	28	1	5.9	Iberia
	Latin America	(no.)	35	35	49	-	-	Latin America
	North America	(no.)	1	1	3	-	-	North America
	Europe	(no.)	2	-	1	2	-	Europe
	Africa, Asia and Oceania	(no.)	-	1	1	-1	-100.0	Africa, Asia and Oceania
	<b>Lost Time Injury Frequency Rate with absence from work of more than 3 days</b>							
	<b>Total accident frequency rate</b>	(i)	<b>0.50</b>	<b>0.36</b>	<b>0.43</b>	0.15	40.8	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>0.59</b>	<b>0.48</b>	<b>0.49</b>	0.11	22.9	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>0.46</b>	<b>0.31</b>	<b>0.40</b>	0.15	48.4	Enel
	<b>Lost time injury frequency rate with absence from work of more than 3 days by geographic area</b>							
	<b>Enel people</b>							
	Italy	(i)	0.77	0.63	0.73	0.14	22.2	Italy
	Iberia	(i)	0.24	0.12	0.12	0.12	100.0	Iberia
	Latin America	(i)	0.52	0.51	0.50	0.01	2.0	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.73	0.26	-	0.47	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(i)	1.03	0.69	0.71	0.34	49.3	Italy
	Iberia	(i)	0.43	0.39	0.71	0.04	10.3	Iberia
	Latin America	(i)	0.24	0.19	0.27	0.05	26.3	Latin America
	North America	(i)	0.23	0.16	0.47	0.07	43.8	North America
	Europe	(i)	0.45	-	0.09	0.45	-	Europe
	Africa, Asia and Oceania	(i)	-	0.15	0.10	-0.15	-100.0	Africa, Asia and Oceania

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>Number of lost time injuries (LTI)<sup>(4)</sup></b>								
	<b>Total LTIs</b>	(no.)	<b>236</b>	<b>215</b>	<b>275</b>	21	9.8	Enel
	<b>LTIs Enel</b>	(no.)	<b>87</b>	<b>69</b>	<b>84</b>	18	26.1	Enel
	<b>LTIs contractors</b>	(no.)	<b>149</b>	<b>146</b>	<b>191</b>	3	2.1	Enel
<b>LTIs by geographic area</b>								
<b>Enel people</b>								
	Italy	(no.)	53	40	53	13	32.5	Italy
	Iberia	(no.)	5	2	2	3	-	Iberia
	Latin America	(no.)	25	25	28	-	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	4	2	1	2	100.0	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
<b>Contractor company personnel</b>								
	Italy	(no.)	70	47	38	23	48.9	Italy
	Iberia	(no.)	20	18	29	2	11.1	Iberia
	Latin America	(no.)	56	76	118	-20	-26.3	Latin America
	North America	(no.)	1	4	3	-3	-75.0	North America
	Europe	(no.)	2	-	2	2	-	Europe
	Africa, Asia and Oceania	(no.)	-	1	1	-1	-100.0	Africa, Asia and Oceania
<b>LTI frequency rate</b>								
	<b>Total accident frequency rate</b>	(i)	<b>0.61</b>	<b>0.50</b>	<b>0.65</b>	0.11	21.3	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>0.72</b>	<b>0.56</b>	<b>0.68</b>	0.16	28.6	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>0.56</b>	<b>0.48</b>	<b>0.64</b>	0.08	16.7	Enel
<b>Percentage of Managers by geographic area</b>								
<b>Enel people</b>								
	Italy	(i)	0.88	0.68	0.94	0.20	29.4	Italy
	Iberia	(i)	0.30	0.12	0.12	0.18	-	Iberia
	Latin America	(i)	0.76	0.71	0.77	0.05	7.0	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.73	0.26	0.11	0.47	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
<b>Contractor company personnel</b>								
	Italy	(i)	1.08	0.83	0.72	0.25	30.1	Italy
	Iberia	(i)	0.48	0.42	0.73	0.06	14.3	Iberia
	Latin America	(i)	0.38	0.41	0.65	-0.03	-7.3	Latin America
	North America	(i)	0.23	0.64	0.47	-0.41	-64.1	North America
	Europe	(i)	0.45	-	0.18	0.45	-	Europe
	Africa, Asia and Oceania	(i)	-	0.15	0.10	-0.15	-100.0	Africa, Asia and Oceania
<b>Number of Total Recordable Injuries (TRIs)<sup>(5)</sup></b>								
	<b>Total TRIs</b>	(no.)	<b>726</b>	<b>962</b>	<b>1,212</b>	-236	-24.5	Enel
	<b>TRIs Enel</b>	(no.)	<b>176</b>	<b>153</b>	<b>157</b>	23	15.0	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	<b>TRIs involving contractor companies</b>	(no.)	<b>550</b>	<b>809</b>	<b>1,055</b>	-259	-32.0	Enel
	<b>TRIs by geographic area</b>							
	<b>Enel people</b>							
	Italy	(no.)	59	41	57	18	43.9	Italy
	Iberia	(no.)	22	24	26	-2	-8.3	Iberia
	Latin America	(no.)	52	51	50	1	2.0	Latin America
	North America	(no.)	35	30	20	5	16.7	North America
	Europe	(no.)	8	6	3	2	33.3	Europe
	Africa, Asia and Oceania	(no.)	-	1	1	-1	-100.0	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(no.)	74	50	38	24	48.0	Italy
	Iberia	(no.)	54	107	109	-53	-49.5	Iberia
	Latin America	(no.)	353	534	711	-181	-33.9	Latin America
	North America	(no.)	60	105	164	-45	-42.9	North America
	Europe	(no.)	2	2	7	-	-	Europe
	Africa, Asia and Oceania	(no.)	7	11	26	-4	-36.4	Africa, Asia and Oceania
	<b>Rate of TRIs</b>							
	<b>Total accident frequency rate</b>	(i)	<b>1.88</b>	<b>2.25</b>	<b>2.86</b>	-0.37	-16.4	Enel
	<b>Accident frequency rate Enel</b>	(i)	<b>1.46</b>	<b>1.24</b>	<b>1.27</b>	0.22	17.7	Enel
	<b>Accident frequency rate of contractor companies</b>	(i)	<b>2.07</b>	<b>2.66</b>	<b>3.52</b>	-0.59	-22.2	Enel
	<b>TRI frequency rate by geographic area</b>							
	<b>Enel people</b>							
	Italy	(i)	0.98	0.70	1.01	0.28	40.0	Italy
	Iberia	(i)	1.32	1.46	1.58	-0.14	-9.6	Iberia
	Latin America	(i)	1.58	1.44	1.38	0.14	9.7	Latin America
	North America	(i)	9.00	7.78	5.85	1.22	15.7	North America
	Europe	(i)	1.46	0.77	0.32	0.69	89.6	Europe
	Africa, Asia and Oceania	(i)	-	0.64	0.67	-0.64	-100.0	Africa, Asia and Oceania
	<b>Contractor company personnel</b>							
	Italy	(i)	1.14	0.89	0.72	0.25	28.1	Italy
	Iberia	(i)	1.30	2.48	2.75	-1.18	-47.6	Iberia
	Latin America	(i)	2.40	2.86	3.93	-0.46	-16.1	Latin America
	North America	(i)	14.03	16.77	25.95	-2.74	-16.3	North America
	Europe	(i)	0.45	0.38	0.64	0.07	18.4	Europe
	Africa, Asia and Oceania	(i)	2.17	1.63	2.71	0.54	33.1	Africa, Asia and Oceania

- (1) All frequency rates (FR) are calculated by providing a ratio of the number of events per million hours worked.
- (2) Life Changing Accidents (LCAs) are injuries that caused consequences to health that permanently changed a person's life (for example, amputation of limbs, paralysis, neurological damage, etc.).
- (3) High Potential Accidents (HiPo) are injuries that, given their dynamics, have the potential to cause a life-changing or fatal event.
- (4) Lost Time Injury (LTI) includes accidents that have resulted in at least one day of absence from work excluding the day the event occurred.
- (5) Total Recordable Injuries include fatalities, LCAs, LTIs and all other injuries that have required medical treatment.

# Sound governance

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
<b>2-1</b>	<b>SHAREHOLDERS</b>							
	<b>Composition of shareholdings</b>							
	Investors <sup>(1)</sup>							
	Ministry of Economy and Finance	(%)	23.6	23.6	23.6	-	-	Enel SpA
	Institutional investors	(%)	58.6	56.3	59.4	2.3	-	Enel SpA
	Retail shareholders	(%)	17.8	19.7	17.0	-1.9	-	Enel SpA
	<b>Location of institutional investors</b>							
	Italy	(%)	8.5	7.3	6.7	1.2	-	Enel SpA
	UK	(%)	12.7	14.2	12.1	-1.5	-	Enel SpA
	Rest of Europe	(%)	27.7	27.3	29.0	0.4	-	Enel SpA
	North America	(%)	42.7	43.0	44.8	-0.3	-	Enel SpA
	Rest of the world	(%)	8.4	8.2	7.4	0.2	-	Enel SpA
	<b>Concentration index (Top 50)</b>	(%)	<b>36.0</b>	<b>37.2</b>	<b>39.7</b>	-1.2	-	Enel SpA
	<b>Socially responsible investors (SRIs)<sup>(2)</sup></b>							
	<b>Presence of SRIs</b>	(no.)	<b>224</b>	<b>245</b>	<b>252</b>	-21	-8.6	Enel SpA
	<b>Enel shares held by SRI funds</b>	(mil)	<b>1,776</b>	<b>1,510</b>	<b>1,484</b>	266	176	Enel SpA
	<b>Weight of SRI funds in institutional shareholding<sup>(3)</sup></b>	(%)	<b>29.8</b>	<b>26.2</b>	<b>24.6</b>	4	-	Enel SpA
	<b>Location of institutional investors</b>							
	Italy	(%)	18.3	16.4	16.7	1.9	-	Enel SpA
	UK	(%)	13.8	11.9	9.7	1.9	-	Enel SpA
	Rest of Europe	(%)	39.0	41.3	43.6	-2.3	-	Enel SpA
	North America	(%)	26.3	24.4	26.0	1.9	-	Enel SpA
	Rest of the world	(%)	2.6	6.0	4.0	-3.4	-	Enel SpA
	<b>Return for the shareholder</b>							
	<b>DPS - Dividend per Share</b>	(euro cent)	<b>0.43</b>	<b>0.40</b>	<b>0.38</b>	0.03	75	Enel SpA
	<b>Communication to shareholders</b>							
	<b>Information requests from retail shareholders<sup>(5)</sup></b>	(no.)	<b>46</b>	<b>51</b>	<b>56</b>	-5	-9.8	Enel SpA
	<b>LENDERS</b>							
	<b>Debt</b>							
	<b>Total debt<sup>(6)</sup></b>	(mil euros)	<b>60,163</b>	<b>60,663</b>	<b>51,693</b>	-500	-0.8	Enel
	<b>Debt to Equity</b>	(i)	<b>1.3</b>	<b>1.4</b>	<b>1.2</b>	-0.1	-7.0	Enel
<b>405-1</b>	<b>CORPORATE GOVERNANCE</b>							
	<b>Board of Directors</b>							
	<b>BoD members by type</b>	(no.)	<b>9</b>	<b>9</b>	<b>9</b>	-	-	Enel SpA
	Executive members	(no.)	1	1	1	-	-	Enel SpA
	Non-executive members	(no.)	8	8	8	-	-	Enel SpA
	- of whom independent <sup>(7)</sup>	(no.)	7	8	8	-1.0	-12.5	Enel SpA
	<b>Women on BoD of the Group:</b>							
	Women on BoD of the Enel SpA	(no.)	4	4	4	-	-	Enel SpA
	Women on BoD of Group companies	(no.)	107	76	247	31	40.8	Enel
	<b>Members of the BoD by age group</b>							
	Under 30 years old	(%)	-	-	-	-	-	Enel SpA
	30 - 50 years old	(%)	-	11	11	-11	-	Enel SpA
	30 - 50 years old	(%)	100	89	89	11	-	Enel SpA
	<b>BoD meetings<sup>(8)</sup></b>	(no.)	<b>15</b>	<b>16</b>	<b>16</b>	-1	-6.3	Enel SpA
<b>2-26</b>	<b>Implementation of the Code of Ethics</b>							
	<b>Reports received by type of stakeholder<sup>(9)</sup>:</b>	(no.)	<b>207</b>	<b>168</b>	<b>153</b>	39	23.2	Enel
	Internal stakeholders	(no.)	30	22	27	8	36.4	Enel
	External stakeholders	(no.)	33	18	24	15	83.3	Enel
	Anonymous	(no.)	144	128	102	16	12.5	Enel
	<b>Reports received for harmed or potentially harmed stakeholder<sup>(9)</sup>:</b>	(no.)	<b>207</b>	<b>168</b>	<b>153</b>	39	23.2	Enel
	Shareholder	(no.)	66	48	67	18	37.5	Enel

GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Customer	(no.)	12	12	7	-	-	Enel
	Employee	(no.)	78	72	51	6	8.3	Enel
	Communities	(no.)	4	4	5	-	-	Enel
	Suppliers	(no.)	47	32	23	15	46.9	Enel
	<b>Reports received by status<sup>(9)</sup>:</b>	(no.)	<b>207</b>	<b>168</b>	<b>153</b>	39	23.2	Enel
	Reports being assessed	(no.)	25	-	-	25	-	Enel
	Reports for which a violation has not been confirmed	(no.)	141	134	109	7	5.2	Enel
	Reports for which a violation has been confirmed	(no.)	41	34	44	7	20.6	Enel
	<b>Reports related to<sup>(9)</sup>:</b>	(no.)	<b>207</b>	<b>168</b>	<b>153</b>	39	23.2	Enel
	Conflict of interest/corruption	(no.)	35	31	32	4	12.9	Enel
	Misappropriation	(no.)	27	21	31	6	28.6	Enel
	Work practices	(no.)	119	92	71	27	29.3	Enel
	Community and society	(no.)	1	1	3	-	-	Enel
	Other reasons	(no.)	25	23	16	2	8.7	Enel
	<b>Violations confirmed by type of harmed stakeholder<sup>(9)</sup>:</b>	(no.)	<b>41</b>	<b>34</b>	<b>44</b>	7	20.6	Enel
	Shareholder	(no.)	16	15	19	1	6.7	Enel
	Customer	(no.)	5	1	-	4	-	Enel
	Employee	(no.)	11	14	14	-3	-21.4	Enel
	Communities	(no.)	1	-	1	1	-	Enel
	Fornitori	(no.)	8	4	10	4	100.0	Enel
<b>406-1</b>	<b>Violations regarding incidents of<sup>(9)</sup>:</b>	(no.)	<b>41</b>	<b>34</b>	<b>44</b>	7	20.6	Enel
<b>2-26</b>	Conflict of interest/corruption <sup>(10)</sup>	(no.)	7	10	8	-3	-30.0	Enel
	Misappropriation	(no.)	9	5	5	4	80.0	Enel
	Work practices	(no.)	18	14	27	4	28.6	Enel
	Community and society	(no.)	-	-	1	-	-	Enel
	Other reasons	(no.)	7	5	3	2	40.0	Enel
	<b>Violations established for conflict of interest/corruption by country<sup>(9)</sup>:</b>	(no.)	<b>7</b>	<b>10</b>	<b>8</b>	-3	-30.0	Enel
	Argentina	(no.)	-	-	-	-	-	Argentina
	Brazil	(no.)	2	3	-	-1	-33.3	Brazil
	Chile	(no.)	3	2	-	1	50.0	Chile
	Colombia	(no.)	1	1	4	-	-	Colombia
	Italy	(no.)	-	1	1	-1	-100.0	Italy
	Peru	(no.)	1	-	-	1	-	Peru
	Romania	(no.)	-	-	-	-	-	Romania
	Russia	(no.)	-	-	2	-	-	Russia
	Spain	(no.)	-	-	1	-	-	Spain
	India	(no.)	-	1	-	-1	-100.0	India
	United States	(no.)	-	1	-	-1	-100.0	United States
	Panama	(no.)	-	1	-	-1	-100.0	Panama
	<b>Actions taken in response to incidents of conflict of interest/corruption<sup>(10)</sup></b>	(no.)	<b>9</b>	<b>10</b>	<b>10</b>	-1	-10.0	Enel
	of which: actions taken against employees in response to cases of conflict of interest/corruption	(no.)	5	7	7	-2	-28.6	Enel
	of which: actions taken against contractors in response to cases of conflict of interest/corruption.	(no.)	4	3	3	1	33.3	Enel
<b>412-3</b>	<b>Significant investment agreements that include human rights clauses</b>	(no.)	<b>7</b>	<b>4</b>	-	3	75.0	Enel
<b>412-3</b>	<b>Percentage of significant investment agreements that include human rights clauses</b>	(%)	<b>88</b>	<b>100</b>	-	-13	-	Enel
<b>INSTITUTIONAL RELATIONS</b>								
<b>201-4 Grants</b>								
	<b>Grants supplied in the period by geographic area<sup>(11)</sup></b>	(mil euros)	<b>406.9</b>	<b>7.4</b>	<b>43.6</b>	399.5	-	Enel
	Italy	(mil euros)	401.1	5.0	37.1	396.1	-	Italy
	Romania	(mil euros)	-	-	-	-	-	Romania
	Spain	(mil euros)	3.8	2.1	1.7	1.7	83.3	Spain
	Brazil	(mil euros)	-	-	4.1	-	-	Brazil



GRI/ EUSS	KPI	UM	December 2023	December 2022	December 2021	2023-2022	%	Scope
	Colombia	(mil euros)	1.8	0.3	-	1.5	-	Colombia
	Chile	(mil euros)	-	-	0.5	-	-	Chile
	North America	(mil euros)	0.2	0.1	0.1	0.1	99.5	North America
<b>Grants supplied in the period by destination<sup>(11)</sup></b>								
	Energy grids	(%)	89.7	60.3	55.6	29.4	-	Enel
	R&D	(%)	1.8	38.7	172	-36.9	-	Enel
	Renewables	(%)	8.4	-	20.9	8.4	-	Enel
	Training	(%)	-	-	5.8	-	-	Enel
	Other	(%)	0.1	1.0	0.5	-0.9	-	Enel
	<b>Number of projects which received grants<sup>(11)</sup></b>	(no.)	<b>94</b>	<b>38</b>	<b>101</b>	56	-	Enel
<b>Loans granted by the EIB and others</b>								
	<b>Outstanding debt from EIB financing and others by geographic area</b>	(mil euros)	<b>9,532</b>	<b>8,219</b>	<b>6,692</b>	1,313	16.0	Enel
	- Italy	(mil euros)	4,173	3,912	3,761	261	6.7	Italy
	- Iberia	(mil euros)	2,691	2,556	1,889	135	5.3	Iberia
	- Latin America	(mil euros)	1,809	1,209	823	600	49.6	Latin America
	- Europe	(mil euros)	-	-	100	-	-	Europe
	- Africa, Asia and Oceania	(mil euros)	-	-	-	-	-	Africa, Asia and Oceania
	- North America	(mil euros)	860	542	190	318	58.7	North America
	<b>Remaining debt on loans from EIB and others by destination</b>							
	Energy grids	(%)	49.7	52.0	60.4	-2.3	-	Enel
	R&D	(%)	-	-	0.1	-	-	Enel
	Renewables	(%)	39.3	41.0	370	-1.7	-	Enel
	Training	(%)	-	-	-	-	-	Enel
	Other	(%)	11.0	70	2.5	4.0	-	Enel
	<b>Number of projects in progress approved with loans from EIB and others</b>	(no.)	<b>176</b>	<b>212</b>	<b>147</b>	-36	-170	Enel
	<b>Policy influence</b>							
	Lobbying, interest representation or similar	(euros)	-	-	-	-	-	Enel
	Contributions in favor local, regional or national political campaigns/organizations/candidates	(euros)	-	-	-	-	-	Enel
	Contributions in favor of trade and employer associations	(euros)	11,039,368	9,595,575	8,424,797	1,443,793	15.0	Enel
	Other (e.g., spending related to ballot measures or referendums)	(euros)	-	-	-	-	-	Enel
	<b>Total contributions and other spending</b>	(euros)	<b>11,039,360</b>	<b>9,595,575</b>	<b>8,424,797</b>	1,443,785	15.0	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) 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 adherence 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).
- (3) Calculated comparing the number of shares held by identified Socially Responsible Investors (SRIs) with the number of shares held by identified institutional investors.
- (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) For the purpose of better exposure of net financial debt, in its determination the Group decided to exclude the fair value of cash flow hedge and fair value hedge derivatives used to hedge currency risk on loans. Consequently, in order to make the data more comparable, it was necessary to restate the net financial debt at December 31, 2022.
- (7) The number shown for 2023 and 2022 refers to directors qualified as independent pursuant to the Single Financial Act and the Italian Corporate Governance Code (Edition 2020).
- (8) Of these, 7 meetings were held in 2022 on sustainability issues.
- (9) The 2022 figure takes into account a timelier determination following the conclusion of the analysis of reports that were still under assessment at December 31, 2022.
- (10) 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.
- (11) The 2022 and 2021 figures include a more specific determination thereof.

# GRI AND ESRS INTEROPERABILITY CONTENT INDEX

<b>Statement of use</b>	Enel SpA has reported in accordance with the GRI Standards for the period January 1, 2023–December 31, 2023
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Electric Utilities Disclosure 2013

The last column includes reference to the sustainability reporting standards prepared by EFRAG in line with the CSRD (Corporate Sustainability Reporting Directive), using the GRI-ESRS

(European Sustainability Reporting Standards) Interoperability Index, draft version, published in November 2023 jointly by GRI and EFRAG and in the process of being finalized in 2024.

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>1)</sup> ESRS DISCLOSURE REQUIREMENTS(*) <sup>2)</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>The organization and its reporting practices</b>						
	2-1	Organizational details	Pg. 14-17; 260; 364; Performance indicators sec. Sound governance			-
	2-2	Entities included in the organization's sustainability reporting	Pg. 364			ESRS 1 5.1; ESRS 2 BP-1 §5 (a) and (b) i
	2-3	Reporting period, frequency and contact point	Pg. 364; 370			ESRS 1 §73
	2-4	Restatements of information	Pg. 364; 370			ESRS 2 BP-2 §13, §14 (a) to (b)
	2-5	External assurance	Pg. 466-471			-
<b>Activities and workers</b>						
	2-6	Activities, value chain and other business relationships	Pg. 14; 209-210; 218-219; 370			ESRS 2 SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)
	2-7	Employees	Pg. 189-190; Performance indicators sec. Enel people			ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) to (b) and (d) to (e), §51 to §52
	2-8	Workers who are not employees	Performance indicators sec. Enel people			ESRS S1 S1-7 §55 to §56 <a href="#">↗</a> <sup>3)</sup>
<b>Governance</b>						
	2-9	Governance structure and composition	Pg. 100-103; 135; 261-264; Performance indicators sec. Sound governance			ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b)
	2-10	Nomination and selection of the highest governance body	Pg. 262-263			NOT COVERED
	2-11	Chair of the highest governance body	Pg. 262-263			NOT COVERED
	2-12	Role of the highest governance body in overseeing the management of impacts	Pg. 100-103; 135; 261-264			ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); ESRS G1 §5 (a)
	2-13	Delegation of responsibility for managing impacts	Pg. 100-103; 262-264			ESRS 2 GOV-1 §22 (c) i; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)
	2-14	Role of the highest governance body in sustainability reporting	Pg. 262-264			ESRS 2 GOV-5 §36; IRO-1 §53 (d)

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>ESRS DISCLOSURE REQUIREMENTS(*)<sup>2</sup></b>						
	2-15	Conflicts of interest	Pg. 266-267; 278-279			NOT COVERED
	2-16	Communication of critical concerns	Pg. 262-264; 278-279			ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 AR 1 (a); G1-3 §18 (c)
	2-17	Collective knowledge of the highest governance body	Pg. 260; 262-264			ESRS 2 GOV-1 §23
	2-18	Evaluation of the performance of the highest governance body	Pg. 262-265			NOT COVERED
	2-19	Remuneration policies	Pg. 100-103; 264-265			ESRS 2 GOV-3 §29 (a) to (c); ESRS E1 §13
	2-20	Process to determine remuneration	Pg. 100-103; 264-265			ESRS 2 GOV-3 §29 (e)
	2-21	Annual total compensation ratio	Pg. 100-103; 264-265			ESRS S1 S1-16 §97 (b) to (c)
<b>Strategy, policies and practices</b>						
	2-22	Statement on sustainable development strategy	Pg. 6-7			ESRS 2 SBM-1 §40 (g)
	2-23	Policy commitments	Pg. 237-238; 266-267; 278-280; 286			ESRS 2 GOV-4; MDR-P §65 (b) to (c) and (f); ESRS S1 S1-1 §19 to §21, and §AR 14; ESRS S2 S2-1 §16 to §17, §19, and §AR 16; ESRS S3 S3-1 §14, §16 to §17 and §AR 11; ESRS S4 S4-1 §15 to §17 and §AR 13; ESRS G1 G1-1 §7 and §AR 1 (b)
	2-24	Embedding policy commitments	Pg. 18-19; 100-103; 286-287			ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §AR 35; ESRS S2 S2-4 §AR 30; ESRS S3 S3-4 §AR 27; ESRS S4 S4-4 §AR 27; ESRS G1 G1-1 §9 and §10 (g)
	2-25	Processes to remediate negative impacts	Pg. 238-239; 301-309			ESRS S1 S1-1 §20 (c); S1-3 §32 (a), (b) and (e), §AR 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)
	2-26	Mechanisms for seeking advice and raising concerns	Pg. 238-239; 278-279; 301; Performance indicators sec. Sound governance			ESRS S1 S1-3 §AR 32 (d); ESRS S2 S2-3 §AR 27 (d); ESRS S3 S3-3 §AR 24 (d); ESRS S4 S4-3 §AR 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)
	2-27	Compliance with laws and regulations	Pg. 174; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §AR 25 (b); ESRS S1 S1-17 §103 (c) to (d) and §104 (b); ESRS G1 G1-4 §24 (a) <a href="#">↗<sup>1(a)</sup></a>
	2-28	Membership associations	Pg. 11-13; 96-98; 103-110			- <a href="#">↗<sup>2(b)</sup></a>
<b>Stakeholder engagement</b>						
	2-29	Approach to stakeholder engagement	Pg. 26-27, 34-42; 194; 221-223; 235-236; 238-239; 260-261; 289; 297-299; Performance indicators sec. Business drivers, Customer centricity			ESRS 2 SMB-2 §45 (a) i to (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §25, §27 (e) and §28; ESRS S2 S2-1 §17 (b); S2-2 §20, §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §19, §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §18, §20 (d) and §21
	2-30	Collective bargaining agreements	Pg. 206-207; Performance indicators sec. Enel people			ESRS S1 S1-8 §60 (a) and §61

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Material Topics</b>						
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Pg. 26-27; 34-65; 364-368			ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv
	3-2	List of material topics	Pg. 26-27; 34-65; 364-368			ESRS 2 SBM-3 §48 (a) and (g)
	3-3	Management of material topics	Pg. 26-27; 34-65; 364-368			ESRS 2 SBM-1§ 40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P, MDR-A, MDR-M, and MDR-T; ESRS S1 S1-2 §27; S1-4 §39 and AR 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §AR 33 and §AR 36 (a); S2-5 §42 (b) to (c); ESRS S3 S3-2 §21; S3-4 §33, §AR 31, §AR 34 (a); S3-5 §42 (b) to (c); ESRS S4 S4-2 §20, S4-4 §31, §AR 30, and §AR 33 (a); S4-5 §41 (b) to (c)
<b>Material Topics</b>						
<b>200 series (Economic Topics)</b>						
<b>Economic Performance</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 17; 94-95; 104; 107-110; 113-115; 205; 266-267			NA
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Pg. 17; Performance indicators sec. Enel's commitment to sustainable development			NOT COVERED
	201-2	Financial implications and other risks and opportunities due to climate change	Pg. 94-95; 104; 107-110; 113-115; 266-267			ESRS 2 SBM-3 §48 (a), and (d) to (e); ESRS E1 §18; E1-3 §26; E1-9 §64
	201-3	Defined benefit plan obligations and other retirement plans	Pg. 205; Performance indicators sec. Enel people			NOT COVERED
	201-4	Financial assistance received from government	Performance indicators sec. Sound governance			NOT COVERED
<b>Indirect Economic Impacts</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 223			NA
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1	Investments in infrastructure and supported services	Pg. 223; Performance indicators sec. Engaging communities			Communities' economic, social and cultural rights is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <sup>(2b)</sup>
<b>Procurement Practices</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-211			ESRS G1 G1-2 §12
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers	Performance indicators sec. Sustainable supply chain			Communities' economic, social and cultural rights is a sustainability matter for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <sup>(2b)</sup>

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>ESRS DISCLOSURE REQUIREMENTS(*)<sup>12</sup></b>						
<b>Anti-corruption</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 278-281			ESRS G1 G1-1 §7; G1-3 §16 and §18 (a) and §24 (b)
<b>GRI 205: Anticorruption 2016</b>	205-1	Operations assessed for risks related to corruption	Pg. 278-281			ESRS G1 G1-3 §AR 5 <a href="#">↗<sup>1(b)</sup></a>
	205-2	Communication and training about anticorruption policies and procedures	Pg. 278-281; Performance indicators sec. Enel people			ESRS G1 G1-3 §20, §21 (b) and (c) and §AR 7 and 8 <a href="#">↗<sup>1(b)</sup></a>
	205-3	Confirmed incidents of corruption and actions taken	Pg. 278-281			ESRS G1 G1-4 §25
<b>Anti-competitive Behavior</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 278-281			NA
<b>GRI 206: Anticompetitive Behavior 2016</b>	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	During 2023, 9 legal actions (4 in Italy, 3 in Iberia and 2 in Chile) were filed.			NOT COVERED
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 310-337			NA
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	Pg. 310-337			NOT COVERED
	207-2	Tax governance, control, and risk management due to climate change	Pg. 310-337			NOT COVERED
	207-3	Stakeholder engagement and management of concerns related to tax	Pg. 310-337			NOT COVERED
	207-4	Country-by-country reporting	Pg. 310-337			NOT COVERED
<b>300 series (Environmental Topics)</b>						
<b>Materials</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 177; 218			ESRS E5 E5-1 §12; E5-2 §17; E5-3 §21
<b>GRI 301: Materials 2016</b>	301-1	Materials used by weight or volume	Pg. 218; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-4 §31 (a) <a href="#">↗<sup>1(a)</sup></a>
	301-2	Recycled input materials used	Pg. 177; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-4 §31 (c)
<b>Energy</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 172-174			ESRS E1 E1-2 §25 (c) to (d); E1-3 §26; E1-4 §33
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organization	Pg. 172-174; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-5 §37; §38; §AR 32 (a), (c), (e) and (f) <a href="#">↗<sup>2(a)</sup></a>
	302-3	Energy intensity	Pg. 172-174			ESRS E1 E1-5 §40 to §42
	302-4	Reduction of energy consumption	Pg. 172-174			Energy is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗<sup>2(a)</sup></a>

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Water</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 14-17; 160-163			ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20; ESRS E3 E3-1 §9; E3-2 §15, §17 to §18; E3-3 §20
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	Pg. 160-163			ESRS 2 SBM-3 §48 (a); MDR-T §80 (f); ESRS E3 §8 (a); §AR 15 (a); E3-2 §15, §AR 20
	303-2	Management of water discharge-related impacts	Pg. 160-163; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E2 E2-3 §24 <a href="#">↗</a> <sup>(2b)</sup>
	303-3	Water withdrawal	Pg. 14-17; 160-163; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			Water withdrawals is a sustainability matter for E3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	303-4	Water discharge	Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			Water discharges is a sustainability matter for E3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	303-5	Water consumption	Pg. 14-17; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E3 E3-4 §28 (a), (b), (d) and (e)
<b>Biodiversity</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 147-159			ESRS E4 E4-1 §AR 1 (b) and (d); E4-2 §20 and §22; E4-3 §25 and §28 (a); E4-4 §29
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pg. 147-159			ESRS E4 §16 (a) i; §19 (a); E4-5 §35 <a href="#">↗</a> <sup>(1a)</sup>
	304-2	Significant impacts of activities, products, and services on biodiversity	Pg. 147-159			ESRS E4 E4-5 §35, §38, §39, §40 (a) and (c)
	304-3	Habitats protected or restored	Pg. 147-159			ESRS E4 E4-3 §28 (b) and §AR 20 (e); E4-4 §AR 26 (a)
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pg. 147-159			ESRS E4 E4-5 §40 (d) i <a href="#">↗</a> <sup>(1b)</sup>

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Emissions</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 14-16; 119-125; 164-165			ESRS E1 E1-2 §22; E1-3 §26; E1-4 §33 and §34 (b); E1-7 §56 (b) and §61 (c); ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20 <a href="#">↗</a> <sup>(2a)</sup>
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	Pg. 119-124; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)
	305-2	Energy indirect (Scope 2) GHG emissions	Pg. 119-122; 124; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)
	305-3	Other indirect (Scope 3) GHG emissions	Pg. 119-122; 125; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)
	305-4	GHG emissions intensity	Pg. 14-16; 119-125; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-6 §53; §54; §AR 39 (c); §AR 53 (a) <a href="#">↗</a> <sup>(1a)</sup>
	305-5	Reduction of GHG emissions	Pg. 119-122; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E1 E1-3 §29 (b); E1-4 §34 (c); §AR 25 (b) and (c); E1-7 §56
	305-6	Emissions of ozone-depleting substances (ODS)	Pg. 119-122; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			Pollution of air is a sustainability matter for E2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Pg. 164-165; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E2 E2-4 §28 (a); §30 (b) and (c); §31; §AR 21; §AR 26

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			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Waste</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 168-172			ESRS E5 §AR 7 (a); E5-1 §12; E5-2 §17; E5-3 §21
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	Pg. 168-172			ESRS 2 SBM-3 §48 (a), (c) ii and iv; ESRS E5 E5-4 §30
	306-2	Management of significant waste-related impacts	Pg. 168-172; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-2 §17 and §20 (e) and (f); E5-5 §40 and §AR 33 (c)
	306-3	Waste generated	Pg. 168-172; Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-5 §37 (a), §38 to §40 <a href="#">↗(1b)</a>
	306-4	Waste diverted from disposal	Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-5 §37 (b), §38 and §40 <a href="#">↗(1b)</a>
	306-5	Waste directed to disposal	Performance indicators sec. Zero emissions ambition and just transition, Roadmap towards natural capital conservation			ESRS E5 E5-5 §37 (c), §38 and §40 <a href="#">↗(1a)(1b)</a>
<b>Supplier Environmental Assessment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-211; Performance indicators sec. Sustainable supply chain			ESRS G1 G1-2 §12 and §15 (a)
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	Pg. 209-211; Performance indicators sec. Sustainable supply chain			ESRS G1 G1-2 §15 (b) <a href="#">↗(1b)</a>
	308-2	Negative environmental impacts in the supply chain and actions taken	Pg. 209-211; Performance indicators sec. Sustainable supply chain			ESRS 2 SBM-3 §48 (c) i and iv
<b>400 series (Social Topics)</b>						
<b>Employment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 14-16; 189; 201-203			ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Pg. 14-16; 189; Performance indicators sec. Enel people			ESRS S1 S1-6 §50 (c) <a href="#">↗(1a)</a>
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg. 201-203			ESRS S1 S1-11 §74; §75; §AR 75
	401-3	Parental leave	Performance indicators sec. Enel people			ESRS S1 S1-15 §93 <a href="#">↗(1a)</a>
<b>Labor/Management Relations</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 206-207			ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)



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			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>GRI 402: Labor/ Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	Pg. 206-207			Social dialogue and Collective bargaining are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
<b>Occupational Health and Safety</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 244-255			ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Pg. 244-247			ESRS S1 S1-1 §23 <a href="#">↗</a> <sup>(1a)</sup>
	403-2	Hazard identification, risk assessment, and incident investigation	Pg. 244-247			ESRS S1 S1-3 §32 (b) and §33
	403-3	Occupational health services	Pg. 252-253			Health and safety and Training and skills development are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	403-4	Worker participation, consultation, and communication on occupational health and safety	Pg. 249-250			
	403-5	Worker training on occupational health and safety	Pg. 249-250			
<b>GRI 403: Occupational Health and Safety 2018</b>	403-6	Promotion of worker health	Pg. 244-254			Social protection is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pg. 253-255			ESRS S2 S2-4 §32 (a)
	403-9	Work-related injuries	Pg. 244-248			ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §AR 82 <a href="#">↗</a> <sup>(1a) (2c)</sup>
<b>Training and Education</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 14-16; 189-193			ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>1)</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Pg. 14-16; 189-193; Performance indicators sec. Enel people			ESRS S1 S1-13 §83 (b) and §84
	404-2	Programs for upgrading employee skills and transition assistance programs	Pg. 191-193			ESRS S1 S1-1 §AR 17 (h)
	404-3	Percentage of employees receiving regular performance and career development reviews	Pg. 190-191; Performance indicators sec. Enel people			ESRS S1 S1-13 §83 (a) and §84
<b>Diversity and Equal Opportunity</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 14-16; 189-190; 194-200; 262-263; 278-280			ESRS S1 S1-1 §17; §20 (c); ESRS S1 §24 (a); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Pg. 14-16; 189-190; 194-200; 262-263; 278-280; Performance indicators Enel people			ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79 <sup>(1a)</sup>
	405-2	Ratio of basic salary and remuneration of women to men	Pg. 189-190; 198-200; Performance indicators sec. Enel people			ESRS S1 S1-16 §97 and §98
<b>Non-discrimination</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 278-280			ESRS S1 S1-1 §17; §20 (c); §24 (a) and (d); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c); ESRS S4 §10 (b); S4-1 §13; §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b); §35; §AR 30; §AR 33 (a); S4-5 §38; §41 (b) and (c)
<b>GRI 406: Nondiscrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	Pg. 278-280; Performance indicators sec. Sound governance			ESRS S1 S1-17 §97, §103 (a), §AR 103
<b>Freedom of Association and Collective Bargaining</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-211; 286			ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pg. 209-211; 286			Freedom of association and Collective bargaining are sustainability matters for S1 and S2 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P; MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <sup>(2b)</sup>

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			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Child Labor</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-211; 278-280; 286			ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39; §42 (b) and (c)
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labor	Pg. 209-211; 278-280; 286			ESRS S1 §14 (g); S1-1 §22 ESRS S2 §11 (b); S2-1 §18 <sup>(2a)</sup>
<b>Forced or Compulsory Labor</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-211; 278-280; 286			ESRS S1 S1-1 §17; §20 (c); §22; S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); §18; S2-2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39; §42 (b) and (c)
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pg. 209-211; 278-280; 286			ESRS S1 §14 (f); S1-1 §22 ESRS S2 §11 (b); S2-1 §18 <sup>(2a)</sup>
<b>Security Practices</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 289			ESRS S3 §9 (b); S3-1 §12, and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43
<b>GRI 410: Security Practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures	Suppliers of security services are selected according to the global qualification process and procurement phases, which include, among others, an assessment related to human rights monitored throughout the execution of the contract. Training and awareness-raising is a key aspect of the embedding of respect of human rights into business activities with both Enel people and business partners. Specific training activities are carried out every year to ensure that anyone who works with the Group is aware of the role they play in ensuring respect for human rights in carrying out their activities. Training is accessible in a variety of formats and content so as to target each area (e.g., courses on environmental protection, occupational health and safety, diversity and inclusion, community relations, anticorruption, digital training and issues closely related to human rights).			Security-related impacts is a sustainability matter covered for S3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <sup>(2b)</sup>

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			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Rights of Indigenous Peoples</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 221-223; 286; 301-309			ESRS S3 §9 (b); S3-1 §12, §15 and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1	Incidents of violations involving rights of indigenous peoples	There were no reported violations of the rights of indigenous peoples.			ESRS S3 S3-1 §16 (c), AR 12; S3-4 §30, §32 (b), §33 (b), §36 <a href="#">↗</a> <sup>11b)</sup>
<b>Human Rights Assessment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 278-280			NOT COVERED
<b>GRI 412: Human Rights Assessment 2016</b>	412-1	Operations that have been subject to human rights reviews or impact assessments	Pg. 278-280			NOT COVERED
	412-2	Employee training on human rights policies or procedures	Pg. 278-280; Performance indicators sec. Enel people			NOT COVERED
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Performance indicators sec. Sound governance			NOT COVERED
<b>Local Communities</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 221-227; 278-280; 286; 301-309			ESRS S3 §9 (b); S3-1 §12, and §16 (c); S3-2 §21; S3-4 §32 (a) to (d), §33 (a) and (b), §35, 36; §AR 31, §AR 34 (a); S3-5 §39, §43
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	Pg. 221-227; 278-280; 286			ESRS S3 S3-2 §19; S3-3 §25; S3-4 §AR 34 (c) <a href="#">↗</a> <sup>11b)</sup>
	413-2	Operations with significant actual and potential negative impacts on local communities	Pg. 286; 301-309			ESRS 2 SBM-3 48 (c); ESRS S3 §9 (a) i and (b)
<b>Supplier Social Assessment</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 209-212			ESRS G1 G1-2 §12 and §15 (a)
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	Pg. 209-212; Performance indicators sec. Sustainable supply chain			ESRS G1 G1-2 §15 (b) <a href="#">↗</a> <sup>11b)</sup>
<b>Public Policy</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 478-480			ESRS G1 G1-5 §27
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions	Enel has no direct dealings with political parties and does not make funding of any kind, as explicitly stated in point 2.2 of the Zero Tolerance of Corruption Plan and point 3.26 of the Group's Code of Ethics. Some exceptions can be found in some countries as a result of the regulations in force therein and after analysis by the appropriate company bodies.			ESRS G1 G1-5 §29 (b)

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			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Customer Health and Safety</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 244; 254			ESRS S4 §10 (b); S4-1 §13, §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	Pg. 254; New products and services are evaluated in terms of potential health and safety impacts throughout the value chain to minimize them, as confirmed by Section 2.2.2 of the Human Rights Policy.			Personal safety of consumers and end-users is a sustainability matter for S4 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
<b>Marketing and Labeling</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 237-238			ESRS S4 §10 (b); S4-1 §13, §16 (c); S4-2 §20; S4-4 §31; §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)
<b>GRI 417: Marketing and Labeling 2016</b>	417-1	Requirements for product and service information and labeling	All sales companies of the Group comply with the obligations of transparency required by various national and supranational regulations regarding the source of electricity sold. The bill then specifies the mix of energy sources used and the source thereof.			Information-related impacts for consumers and end-users is a sustainability matter for S4 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M <a href="#">↗</a> <sup>(2b)</sup>
	417-3	Incidents of non-compliance concerning marketing communications	In 2023, there were no cases of non-compliance with regulations or voluntary codes with respect to the marketing activities of the Enel Group.			ESRS S4 S4-4 §35 <a href="#">↗</a> <sup>(1b)</sup>
<b>Customer Privacy</b>						
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Pg. 282-286			ESRS S4 §10 (b); S4-1 §13 and §16 (c); S4-2 §20; S4-4 §31, §32 (a) and (b), §35, §AR 30, §AR 33 (a); S4-5 §38, §41 (b) and (c)
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg. 282-286			ESRS S4 S4-3 §AR 23; S4-4 §35 <a href="#">↗</a> <sup>(1a)</sup>
<b>General standard disclosures for the electric utility sector</b>						
<b>General standard disclosures for the electric utility sector</b>	<b>Page number(s)/ URL/Direct answer</b>					
<b>EU1</b>	Pg. 14-17; 72-73; Performance indicators sec. Enel's commitment to sustainable development					

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						<b>ESRS DISCLOSURE REQUIREMENTS(*)<sup>12</sup></b>
<b>EU2</b>	Pg. 14-17; 72-73; Performance indicators sec. Enel's commitment to sustainable development					
<b>EU3</b>	Pg. 14; 229-230; Performance indicators sec. Business drivers, Customer centricity					
<b>EU4</b>	Pg. 14-15; 74-75; Performance indicators sec. Business drivers, Customer centricity					
<b>Specific standard disclosures for the electric utility sector</b>						
<b>Category: economic</b>						
<b>Material aspect: demand side management</b>						
<b>DMA</b>	Pg. 229					
	MATERIAL ASPECT: RESEARCH AND DEVELOPMENT					
<b>DMA</b>	Pg. 339					
	MATERIAL ASPECT: SYSTEM EFFICIENCY					
<b>EU11</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>EU12</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>Category: social</b>						
<b>Sub-category: labor practices and decent work</b>						
<b>Material aspect: employment</b>						
<b>DMA</b>	<b>Ch. Enel people</b>					
<b>DMA</b>	Pg. 190-191; 249-250					
<b>EU15</b>	Performance indicators sec. Enel people					
<b>EU18</b>	Pg. 249-250					
<b>Sub-category: society</b>						
<b>Material aspect: local communities</b>						
<b>DMA</b>	<b>Ch. Engaging communities</b>					
<b>EU22</b>	Pg. 301-309					

GRI Standards	Disclosure	Location	Omissions			(Draft) GRI-ESRS Interoperability Index(*) <sup>11</sup>
			Part Omitted	Reason	Explanation	
<b>GRI 2: General Disclosures 2021</b>						
<b>Material aspect: disaster/emergency planning and response</b>						
<b>DMA</b>	Pg. 254					
<b>Sub-category: product responsibility</b>						
<b>Material aspect: customer health and safety</b>						
<b>EU25</b>	<b>Ch. Health and safety of people; Performance indicators</b>					
<b>Material aspect: access</b>						
<b>DMA</b>	<b>Ch. Business drivers</b>					
<b>EU26</b>	Italy: 0% Spain: 0% Argentina: 0.7% Brazil: 0% Chile: 0.7% Colombia: 0% Peru: 4.8%					
<b>EU27</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>EU28</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>EU29</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>EU30</b>	Performance indicators sec. Business drivers, Customer centricity					
<b>Material aspect: provision of information</b>						
<b>DMA</b>	Pg. 76-77; 237-238					

#### Legend

NA: Not applicable

(\*) © GRI & EFRAG 2023 [30 November 2023 Draft Version].

This [draft] Interoperability Index follows a columnar format mapping the GRI Standards disclosures to the corresponding ESRS disclosure requirements at a granular level. The differences that arise at datapoint level are described below.

- (1a) Differences in granularity: GRI requires further breakdowns or granularity.
- (1b) Differences in data type: GRI requires quantitative disclosure and ESRS requires qualitative disclosure.
- (2a) Differences in scope: GRI disclosure is broader and/or more specific than ESRS.
- (2b) Differences in scope: GRI and ESRS disclosures have the same disclosure objective but differ in how data points are formulated.
- (2c) Differences in scope: GRI 403 covers employees and workers who are not employees but whose work and/or workplace is controlled by the organization. ESRS S1-14 covers employees and non-employee workers (people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78)). For fatalities, ESRS S1-14 covers workers working on the undertaking's sites.
- (3) Difference in definition of non-employees: GRI 2-8 covers workers who are not employees and whose work is controlled by the organization. ESRS S1-7 covers non-employee workers (people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78)).

# SASB CONTENT INDEX

The following table shows the main indicators required by the Value Reporting Foundation – SASB standard in relation to the primary sector of reference for Enel: “Electric Utilities & Power Generators Sector” version 2023. 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 2023 Sustainability Report.

SECTOR: ELECTRIC UTILITIES & POWER GENERATORS SECTOR 2023							
Topic	Codes	Accounting Metric	2023	2022	2021	2023-2022	GRI
<b>Greenhouse Gas Emissions &amp; Energy Resource Planning</b>	IF-EU-110a.1	Gross global Scope 1 emissions, percentage covered under (Mt) CO <sub>2</sub> -e	34.51	53.07	51.57	-18.56	305-1
		Emissions-limiting regulations (%) <sup>(1)</sup>	83.0	75.9	61.5	7.1	
		Emissions-reporting regulations (%)	100	100	100	-	
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries (Mt) CO <sub>2</sub> -e <sup>(2)</sup>	56.8	77.8	77.9	-21.0	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	2023 Sustainability Report, chapter “Zero emissions ambition and just transition”				201-2
<b>Air Quality</b>	IF-EU-120a.1	Air emissions of the following pollutants: NO <sub>x</sub> (excluding N <sub>2</sub> O) (t)	53,850	74,225	78,846	-20,375	305-7
		SO <sub>x</sub>	18,701	16,602	15,615	2,099	
		Particulate matter (PM10, with respect to thermoelectric generation) (t)	1,259	1,227	1,099	32	
		Lead (Pb)	N/A				
		Mercury (Hg from coal-fired power plants) (t)	44.1	74.8	49.6	-30.7	
		Percentage of each in or near areas of dense population	N/A				
<b>Water Management</b>	IF-EU-140a.1	Total water withdrawn (Mm <sup>3</sup> )	55.0	76.0	73.1	-21.0	303-3 a
		Total water consumed (Mm <sup>3</sup> )	35.4	45.2	43.8	-9.8	303-5 a
		Percentage of each in regions with High or Extremely High Baseline Water Stress <sup>(3)</sup> (%)	23.3	19.3	23.0	4.0	303-3
			22.1	20.6	24.0	1.5	303-5
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	3	5	9	-2	303-4 d
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	2023 Sustainability Report, chapter “Roadmap towards natural capital conservation”				303-1 303-2
<b>Coal Ash Management</b>	IF-EU-150a.1	Amount of coal combustion products (CCPs) generated (Mt)	0.81	1.18	0.79	-0.4	306-3
		Percentage recycled (%)	79	82	70	-3	306-4
	IF-EU-150a.3	Description of coal combustion products (CCPs) management policies and procedures for active and inactive operations	2023 Sustainability Report, chapter “Roadmap towards natural capital conservation”				
	IF-EU-240a.1	Average retail electric rate for residential, commercial, and industrial customers	N/A				
IF-EU-240a.3	Number of residential customer electric disconnections for non-payment (U) <sup>(4)</sup>	2,915,120	3,709,777	2,737,491	-794,657	EU27	
	Percentage reconnected within 30 days	89.8	91.9	N/A	-2.1		



**SECTOR: ELECTRIC UTILITIES & POWER GENERATORS SECTOR 2023**

Topic	Codes	Accounting Metric	2023	2022	2021	2023-2022	GRI	
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	2023 Sustainability Report, chapter "Customer centricity"				DMA EU (former EU7) DMA EU (former EU23) 2-29 3-3	
<b>Workforce Health &amp; Safety</b>	IF-EU-320a.1	Total recordable incident rate (TRIR) for direct employees	1.46	1.24	1.27	0.22	403-9	
		Fatality rate for direct employees	0.025	0.008	0.024	0.017		
		Near miss frequency rate (NMFR) for direct employees	5.575	5.120	N/A	0.455		
		Total recordable incident rate (TRIR) for contract employees	2.07	2.66	3.52	-0.59		
		Fatality rate for contract employees	0.030	0.016	0.020	0.014		
		Near miss frequency rate (NMFR) for contract employees	4.378	4.793	N/A	-0.415		
<b>End-Use Efficiency &amp; Demand</b>	F-EU-420a.2	Percentage of electric load served by smart grid technology <sup>(5)</sup>	70.9	70.3	70.4	0.6		
	F-EU-420a.3	Customer electricity savings from efficiency measures, by market (megawatt hours)	N/A Available as of the 2024 reports					
<b>Nuclear Safety &amp; Emergency Management</b>	IF-EU-540a.1	Total number of nuclear power units, broken down by results of most recent independent safety review	4	4	4	-		
		Description of efforts to manage nuclear safety and emergency preparedness	2023 Sustainability Report, chapter "Health and safety of people"				DMA EU former EU21	
<b>Grid Resiliency</b>	F-EU-550a.1	Number of incidents of non-compliance with physical or cybersecurity standards or regulations	-	-	-	-		
		System Average Interruption Duration Index (SAIDI)	218	231	243	-13	EU29	
		System Average Interruption Frequency Index (SAIFI)	2.5	2.6	2.8	-0.1	EU28	
		Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	88.1	89.0	N/A	-0.9		
IF-EU-000.A	IF-EU-000.B	Number of: (a.) residential, (b.) commercial, and (c.) industrial customers served	61,118,024	66,784,895	69,342,818	-5,666,871	EU3	
		Total electricity delivered to: residential <sup>(6)</sup>	108,813	118,076	N/A	-9,263		
		Total electricity delivered to: industrial and commercial <sup>(6)</sup>	192,041	203,032	N/A	-10,991		
		Total electricity delivered to: all other retail customers	N/A	N/A	N/A	566		
		Total electricity delivered to: wholesale customers	N/A	N/A	N/A	9,540		
		IF-EU-000.C	Length of transmission and distribution lines (km)	1,899,419	2,024,038	2,233,368	-124,619	EU4
			Total electricity generated (GW)	207,330	227,767	222,605	-20,437	
			Percentage by major energy source-coal	5.2	8.7	N/A	-4	
			Percentage by major energy source-oil	2.4	2.2	N/A	-	
			Percentage by major energy source-gas	1.5	4.2	N/A	-3	
IF-EU-000.D	IF-EU-000.D	Percentage by major energy source-nuclear	12.0	11.6	N/A	-	EU2	
		Percentage by major energy source-hydro	29.4	22.7	N/A	7		
		Percentage by major energy source-solar	7.0	5.0	N/A	2		
		Percentage by major energy source-wind	21.9	19.0	N/A	3		
		Percentage by major energy source-geothermal	2.9	2.7	N/A	-		
		Percentage by major energy source-biomass	-	-	-	-		
		Percentage in regulated markets	N/A					
		IF-EU-000.E	Total wholesale electricity purchased <sup>(7)</sup> (MWh)	82,300	84,660	70,934		-2,360

**Legend**

N/A: Not applicable

N/A: Not available

\* Unaudited for indicators not corresponding to GRI Standards.

(1) The 2022 value also includes CO<sub>2</sub> emissions from thermal power plants in Chile as they are covered by the "green tax system" (*Sistema de Impuestos Verdes*).

(2) The value considers direct emissions from the generation of electricity in proprietary plants and also indirect emissions from the purchase of electricity and sales to the end customer. The 2021 and 2022 values were restated following an update of the emission factors of national electrical systems.

(3) In water stressed areas are included plants located in areas classified as "arid" from WRI.

(4) For further details, see the chapter "Customer centricity" of this document.

(5) The value is calculated as: total energy billed with smart meters/total energy billed.

# TCFD CONTENT INDEX

Reflecting the Group's commitment to climate change related disclosures, the following table shows the alignment of Enel's disclosure 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.

TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES) RECOMMENDATIONS		REFERENCE TO "ZERO EMISSIONS AMBITION AND JUST TRANSITION" CHAPTER OF THE 2023 SUSTAINABILITY REPORT
<b>Governance</b>	Disclosure a) Disclosure b)	<p><b>Enel's governance model to tackle climate change</b></p> <p><i>Competences of corporate bodies</i></p> <p><i>Enel's organizational model for management of climate-related issues</i></p> <p><i>Climate change incentive and contribution scheme</i></p>
	Disclosure c)	<p><b>Climate change and long-term scenarios</b></p> <p><i>Enel's energy transition scenarios</i></p> <p><i>The physical climate scenario for the purpose of climate adaptation actions</i></p>
<b>Strategy</b>	Disclosure b) Disclosure c)	<p><b>The strategy for tackling climate change</b></p> <p><i>Enel's strategy for climate mitigation</i></p> <p><i>2024-2026 Strategic Plan</i></p> <p><i>Enel's resilience and adaptation to climate change</i></p>
	Disclosure a)	<p><b>Risks and opportunities connected with climate change</b></p> <p><i>Assessment of risks related to the energy transition</i></p> <p><i>Assessment of risks arising from physical phenomena</i></p>
<b>Risk Management</b>	Disclosure a) Disclosure b) Disclosure c)	<p><b>Enel's performance in tackling climate change</b></p> <p><i>Methodology for calculating greenhouse gas emissions</i></p> <p><i>GHG emission trends in 2023</i></p> <p><i>Intensity metrics</i></p> <p><i>Financial, operational and environmental metrics connected with climate change</i></p> <p><i>Financial and operational targets</i></p>
	Disclosure a) Disclosure b) Disclosure c)	<p><b>Enel's roadmap to decarbonization</b></p>

# SUSTAINABLE FINANCE DISCLOSURE REGULATION (PAI) CONTENT INDEX

PAI (Principal Adverse Impact) indicators, according to the “Sustainable Finance Disclosure Regulation”, Regulation (EU) 2019/2088

	INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
GREENHOUSE GAS EMISSIONS	<b>Scope 1 – Total direct emissions, mil t<sub>eq</sub></b>	34.51	53.07	51.57	For further information, please refer to the chapter “Zero emissions ambition and just transition”
	<b>Scope 2, location based – Total indirect emissions, mil t<sub>eq</sub><sup>(1)</sup></b>	3.28	3.82	3.77	For further information, please refer to the chapter “Zero emissions ambition and just transition”
	<b>Scope 2, market based – Total indirect emissions, mil t<sub>eq</sub><sup>(2)</sup></b>	4.51	5.10	6.11	For further information, please refer to the chapter “Zero emissions ambition and just transition”
	<b>Scope 3 – Total indirect emissions, mil t<sub>eq</sub><sup>(3)</sup></b>	56.53	71.04	70.46	For further information, please refer to the chapter “Zero emissions ambition and just transition”
	<b>2. Carbon footprint</b>	Indicator not directly applicable to Enel since it is calculated by the investor based on the data above.			
	<b>3. GHG intensity of investee companies</b>	Indicator not directly applicable to Enel since it is calculated by the investor based on the data above.			
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Indicator not applicable to Enel.			
	<b>5. Share of non renewable energy consumption and production</b>	It should be noted that for 2023 total non renewable energy consumption is 752,814 TJ (2022 figure of 1,053,083 TJ) while production from non renewable sources was 80,345 GWh (2022 figure of 115,318 GWh). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	It should be noted that for 2022 total non renewable energy consumption is 1,053,083 TJ (2021 figure of 1,044,714 TJ) while production from non renewable sources was 115,318 GWh (2021 figure of 113,789 GWh). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For information on the underlying data useful for calculating the indicator, see the performance indicators: section “Zero emissions ambition and just transition” for details on fuel consumption by primary source (TJ) and “Enel’s commitment to sustainable progress” for power generation data	
	<b>6. Energy consumption intensity per high impact climate sector</b>	For 2023, it should be noted that total energy consumption was 806,729 TJ (2022 figure of 1,108,069 TJ). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, it should be noted that total energy consumption was 1,108,069 TJ (2021 figure of 1,099,302 TJ). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For information on the underlying data useful for calculating the indicator, see the performance indicators: section “Zero emissions ambition and just transition” for details on fuel consumption by primary source (TJ)	
	<b>7. Activities negatively affecting biodiversity sensitive areas</b>	In 2023, only one power plant was built in areas with high biodiversity value, 3 fewer than in 2022. Although an initial analysis, based on the literature, found the area to be affected by endangered species, monitoring conducted during the environmental impact assessment did not confirm their presence.	In 2022, 4 new power generation plants were built in areas of high biodiversity value, 2 fewer than in 2021, including 3 in critical habitats and 1 in areas containing species at risk of extinction, for which action plans were developed to restore habitats and protect species. These include the project to improve habitats for reptiles, amphibians and other fauna groups on the photovoltaic plant in Torrecilla, Spain.	For further information, please refer to the chapter “Roadmap towards natural capital conservation”	
<b>WATER</b>	<b>8. Emissions to water</b>	The topic is not material, as the potential pollutants in the discharges comply with national regulatory benchmark and permit limits. For European plants, the limits are set according to BREFs and the quantities are below the registration thresholds in the E-PRTR.		For further details, please refer to the chapter “Roadmap towards natural capital conservation” – section on liquid effluents	

	INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
WASTE	<b>9. Hazardous waste ratio</b>	For 2023, it should be noted that total hazardous waste was 68,703 t (2022 figure of 55,940 t). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, it should be noted that total hazardous waste was 55,940 t (2021 figure of 64,365 t). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.		For further details, please refer to the chapter "Roadmap towards natural capital conservation" and the performance indicators: section "Zero emissions ambition and just transition"
	<b>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises</b>	<p>In 2023, 25 cases of breaches, received through the whistleblowing channel, were recorded and can be linked to the principles enshrined in the Group's Human Rights Policy, drafted in line with the main international reference standards of the United Nations Guiding Principles on business and human rights and the guidelines for multinational companies of the OECD. Specifically:</p> <ul style="list-style-type: none"> <li>• 7 violations related to "Conflicts of Interest/Corruption" in pursuit of personal interests and/or to the detriment of the Company;</li> <li>• 18 violations attributable to improper conduct by individual employees harmful to respect for diversity and non-discrimination or failure to comply with internal health and safety policies.</li> </ul> <p>Furthermore, as a result of checks within the Company's operations, an additional 2 cases of "Corruption/Conflict of Interest" in pursuit of private interest were identified, for which 2 employees were dismissed.</p>	<p>In 2022, 20 cases of violations attributable to the principles enshrined in the Group's Human Rights Policy, drafted in compliance with the main international benchmark standards of the United Nations and the guidelines intended for multinational companies of the OECD, were recorded. Specifically:</p> <ul style="list-style-type: none"> <li>• 9 violations related to "Conflicts of Interest/Corruption" in pursuit of personal interests and/or to the detriment of the Company;</li> <li>• 11 violations attributable to improper conduct by individual employees harmful to respect for diversity and non-discrimination or failure to comply with internal health and safety policies.</li> </ul>		For further information, please refer to the chapter "Sound governance" – "Values and pillars of corporate ethics" and "Stakeholder reports" – "Active and passive fight against corruption"
SOCIAL AND EMPLOYEE MATTERS	<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</b>	<p>Implementation and monitoring of the commitments expressed in the Human Rights Policy adopted by the Enel Group are based on a process, which, as required by the UN Guiding Principles on business and human rights and the OECD Guidance for Responsible Business Conduct, has the objective of assessing the robustness of the human rights management system. The process covers the entire value chain in the various countries in which the Group operates and makes it possible to assess both the level of alignment of processes and procedures with UNGPs management requirements and the degree to which are in line with the principles contained in the Human Rights Policy is integrated within business practices. This process is codified in a globally applicable internal procedure and involves "identifying, preventing, mitigating and reporting" adverse effects potentially caused by the Company. Specifically, it is divided into the following stages:</p> <ol style="list-style-type: none"> <li>1. assessment of the risk perceived by key stakeholders, at the individual country level with reference to labor rights, local communities and the environment;</li> <li>2. identification of any gaps aimed at analyzing the organizational and control systems that guard against risks and identifying any deficiencies;</li> <li>3. development of any improvement plans;</li> <li>4. adoption of actions and monitoring.</li> </ol> <p>Improvement measures highlighted by the process are included in the Group Sustainability Plan, and communication on the outcomes of the perceived risk and gap analysis is reported annually, within the Group Sustainability Report, along with the progress of improvement plans.</p>			For further information, please refer to the chapter "Managing human rights", in particular the "Access to remedy" section
	<b>12. Unadjusted gender pay gap</b>	For 2023, the Women/Men Basic Salary Ratio was 109.4% (2022 figure of 104.7%) and the Women/Men Remuneration Ratio was 110.1% (2022 figure of 105.4%)	For 2022, the Women/Men Basic Salary Ratio was 104.7% (2021 figure of 104.8%) and the Women/Men Remuneration Ratio was 105.4% (2021 figure of 105.1%)		For further details, please refer to the chapter "Enel people" and the performance indicators: section "Valuing and enhancing people"
	<b>13. Board gender diversity, %</b>	44.4%	44.4%	44.4%	For further details, see the chapter "Sound governance"
	<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b>	Indicator not applicable to Enel.			

	ADDITIONAL INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
EMISSIONS	<b>1. Emissions of inorganic pollutants</b>	Indicator not applicable to Enel.			
	<b>2. Emissions of air pollutants</b>	For 2023, "SO <sub>2</sub> emissions" were 18,701 t (2022 figure of 16,602 t), "NO <sub>x</sub> emissions" were 53,850 t (2022 figure of 74,225 t), "Dust emissions" (PM 10) were 1,259 t (2022 figure of 1,227 t), and "Hg emissions" were 0.04 t (2022 figure of 0.08 t). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, "SO <sub>2</sub> emissions" were 16,602 t (2021 figure of 15,615 t), "NO <sub>x</sub> emissions" were 74,225 t (2021 figure of 78,846 t), "Dust emissions" (PM 10) were 1,227 t (2021 figure of 1,099 t), and "Hg emissions" were 0.08 t (2021 figure of 0.05 t). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.		For further details, please refer to performance indicators: section "Zero emissions ambition and just transition" and for details on "Other atmospheric emissions" under the chapter "Roadmap towards natural capital conservation"
	<b>3. Emissions of ozone depleting substances</b>	For 2023, "Emissions of ozone depleting substances" were 14 kg CFC-11 <sub>eq</sub> (2022 figure of 43 kg CFC-11 <sub>eq</sub> ). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, "Emissions of ozone depleting substances" were 43 kg CFC-11 <sub>eq</sub> (2021 figure of 180 kg CFC-11 <sub>eq</sub> ). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.		See the performance indicators: section "Zero emissions ambition and just transition" for details on "Emissions of ozone depleting substances"
	<b>4. Investments in companies without carbon emission reduction initiatives</b>	Indicator not applicable to Enel.			
ENERGY PERFORMANCE	<b>5. Breakdown of energy consumption by type of non-renewable sources of energy (TJ)</b>	-	-	-	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>from non-renewable sources (TJ)</b>	752,814	1,053,083	1,044,714	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>Coal (TJ)</b>	117,193	206,450	141,528	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>Fuel oil (TJ)</b>	32,483	35,848	34,787	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>Natural gas (TJ)</b>	276,567	469,425	549,312	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>Diesel oil (TJ)</b>	60,797	58,486	48,482	See the performance indicators: section "Zero emissions ambition and just transition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"
	<b>Uranium (TJ)</b>	265,773	282,872	270,605	See the performance indicators: section "Zero emissions ambition" and for further qualitative details see the chapter "Roadmap towards natural capital conservation"

	ADDITIONAL INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER	
WATER, WASTE AND MATERIAL EMISSIONS	<b>6. Water usage and recycling</b>	For 2023, it should be noted that the total "Water withdrawals" was 55.0 10 <sup>3</sup> megaliters (2022 figure of 76.0 10 <sup>3</sup> megaliters) while the total "Percentage recycled and reused water" was 8.6% (2022 figure of 9.4%). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, it should be noted that the total "Water withdrawals" was 76.0 10 <sup>3</sup> megaliters (2021 figure of 73.1 10 <sup>3</sup> megaliters) while the total "Percentage recycled and reused water" was 9.4% (2021 figure of 8.3%). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.		For further details, see the performance indicators: section "Zero emissions ambition and just transition" and the chapter "Roadmap towards natural capital conservation"	
	<b>7. Investments in companies without water management policies</b>	Enel is constantly committed to progressively reducing the specific need for water for its plants and assets, through the efficient use of water in existing thermal plants, the evolution of the energy mix towards renewables, and the progressive reduction of generation from fossil fuels. Starting last year, Enel renewed and relaunched its commitment to preserving water resources, adopting the target of a 65% reduction in specific withdrawal of fresh water by 2030 compared with the base year 2017.			Please refer to the chapter "Roadmap towards natural capital conservation - Responsible use of water"	
	<b>8. Exposure to areas of high water stress</b>	Enel also pays particular attention to the vulnerability of the resource, by mapping and constantly monitoring all generation sites located in areas classified as water-stressed areas. Among the sites mapped, those defined as "critical" are those positioned in water-stressed areas and which procure significant volumes of fresh water. For these sites, which are specifically thermoelectric and nuclear plants that use water resources for process and closed-cycle cooling needs, water management methods and process performance are constantly monitored, in order to minimize consumption and favor withdrawals from sources of lower quality or which are non-scarce (wastewater, industrial or sea water).			Please refer to the chapter "Roadmap towards natural capital conservation - Responsible use of water"	
	<b>9. Investments in companies producing chemicals</b>	Indicator not applicable to Enel.				
	<b>10. Land degradation, desertification, soil sealing</b>	Enel is promoting a circular approach to land management, in particular through the reuse and redevelopment of brownfield sites, as well as the repowering and lifetime extension of wind farms, in order to limit the use of soil.			Please refer to the chapter "Roadmap towards natural capital conservation"	
	<b>11. Investments in companies without sustainable land/agriculture practices</b>	Indicator not applicable to Enel.				
	<b>12. Investments in companies without sustainable oceans/seas practices</b>	Indicator not applicable to Enel.				
	<b>13. Non-recycled waste ratio</b>	The overall percentage of O&M waste sent for recovery was 85% (2022 figure of 84.39%). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.	For 2022, it should be noted that the "Percentage of total waste sent for recovery" was 84.39% (2021 figure of 61.83%). In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.		For further details, please refer to the chapter "Roadmap towards natural capital conservation" and the performance indicators: section "Zero emissions ambition and just transition"	
	<b>14. Natural species and protected areas</b>	Protection of biodiversity is one of the strategic objectives of "Enel's Environmental Policy" and is regulated by a specific policy ("Enel's Biodiversity Policy") adopted in 2015 and renewed in 2023 following COP15. The policy defines the guidelines for all the Group's biodiversity protection initiatives and the principles according to which they operate, aligned with the Kunming-Montreal GBF.			Please refer to the chapter "Roadmap towards natural capital conservation"	
	<b>15. Deforestation</b>	In addition, Enel is committed to conserving forests and, if deforestation cannot be avoided, will reforest areas of equivalent value in line with the principle of "No Net Deforestation".			Please refer to the chapter "Roadmap towards natural capital conservation"	
GREEN SECURITIES	<b>16. Share of securities not certified as green under a future EU legal act setting up an EU Green Bond Standard</b>	Indicator not applicable to Enel.				

	ADDITIONAL INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
<b>SOCIAL AND EMPLOYEE MATTERS</b>	<b>1. Investments in companies without workplace accident prevention policies</b>	<p>It should be noted that there are two founding documents of the commitment of the Group to health, safety and labor (both signed by the CEO): "Health and Safety Policy" and "Stop Work Policy". The first, updated in 2023, describes the guiding principles, strategic goals, approach and priorities for action for continuous improvement of health and safety performance. It is based on several principles, including compliance with regulations; adoption of the best standards; implementation and continuous improvement of the Occupational Health and Safety Management Systems in accordance with the international standard ISO 45001; and promotion of information initiatives to disseminate and consolidate the culture of health, safety and organizational well-being.</p> <p>The second, the "Stop Work Policy" aims to empower Enel employees and contractors in managing potential health, safety and environmental risk situations.</p> <p>It requires everyone, both employees and contractor personnel, to promptly intervene and stop any activity that may endanger their own health and safety or that of others.</p> <p>In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.</p>			For further details, please refer to the chapter "Health and safety of people"
	<b>2. Rate of accidents</b>	<p>For 2023, it should be noted that Total Recordable Injuries was 726 (2022 figure of 962). For a complete disclosure of the types of injuries reported by Enel (for Enel personnel and contracted personnel) see the "Chapter reference" column.</p> <p>In any case, it should be noted that the final required indicator is not directly reportable by Enel since it is calculated by the investor based on the information reported in the report.</p>	<p>For 2022, it should be noted that Total Recordable Injuries was 962 (2021 figure of 1,212). For a complete disclosure of the types of injuries reported by Enel (for Enel personnel and contracted personnel) see the "Chapter reference" column.</p> <p>In any case, it should be noted that the final required indicator is not directly reportable by Enel since it is calculated by the investor based on the information reported in the report.</p>		For further details, please refer to the chapter "Health and safety of people" or the performance indicators: section "Health and safety of people"
	<b>3. Number of days lost to injuries, accidents, fatalities or illness</b>	<p>For 2023, the total lost days related to work-related injuries alone were 11,847<sup>(4)</sup> (of which 4,070 Enel personnel and 7,777 contract personnel). The figure does not take into account lost days related to occupational illnesses.</p> <p>In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.</p>	<p>For 2022, the total lost days related to work-related injuries alone were 8,505<sup>(5)</sup> (of which 2,371 Enel personnel and 6,134 contract personnel). The figure does not take into account lost days related to occupational illnesses.</p> <p>In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.</p>		For further details, please refer to the chapter "Health and safety of people"
	<b>4. Lack of a supplier code of conduct</b>	<p>Enel's purchasing processes are based on pre-contractual and contractual conduct geared towards mutual loyalty, transparency and collaboration. The basis of Enel's procurement processes is loyalty, transparency and collaboration, and the Company asks suppliers not only to guarantee the quality standards required, but also to commit to adopting best practices in terms of human rights and of the impact of their activity on the environment. Indeed, there are clear and specific references in terms of codes of conduct, including Enel's Human Rights Policy, Code of Ethics, Zero Tolerance of Corruption Plan, and global compliance programs.</p>			For further information, please refer to the chapter "Managing human rights" and "Sound governance – Values and pillars of corporate ethics"
	<b>5. Lack of grievance/complaints handling mechanism related to employee matters</b>	<p>In line with the third pillar of the United Nations Guiding Principles, Enel has access channels for whistleblowing from people inside or outside the Company, in compliance with the relevant legislation on whistleblowing, accessible via web or toll-free number as indicated on the Enel Code of Ethics webpage.</p>			For further information, please refer to the chapter "Managing human rights" and "Sound governance – Values and pillars of corporate ethics"
	<b>6. Insufficient whistleblower protection</b>	<p>The process of handling whistleblowing is regulated through the Policy "Handling of Reports (Whistleblowing)", which establishes principles and rules to protect the confidentiality of the whistleblower's identity and against any form of retaliation.</p>			For further information, please refer to the chapter "Sound governance", particularly the sections on "Code of Ethics" and "Stakeholder reports"
	<b>7. Incidents of discrimination (no.)</b>	<p>In 2023, 6 violations were recorded through the whistleblowing platform. These concerned cases of discrimination in the workplace, in particular 5 cases of harassment.</p>	<p>In 2022, 4 violations were recorded relating to cases of discrimination in the workplace, in particular cases of harassment.</p>		For further information, please refer to the chapter "Sound governance", particularly the sections on "Code of Ethics" and "Stakeholder reports"

	ADDITIONAL INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
<b>SOCIAL AND EMPLOYEE MATTERS</b>	<b>8. Excessive CEO pay ratio (%)<sup>(6)</sup></b>	<p>Note that for 2023, Enel's CEO pay ratio was:</p> <ul style="list-style-type: none"> <li>• 25% until May 10, 2023;</li> <li>• 43% from May 12, 2023 until the end of the year.</li> </ul> <p>In any case, note that the final indicator requested cannot be directly communicated by Enel, as it is calculated by the investor.</p>	<p>For 2022, it should be noted that Enel's CEO pay ratio was 62% (2021 figure 92%)<sup>(7)</sup>.</p> <p>In any case, it should be noted that the final required indicator is not directly communicable by Enel since it is calculated by the investor.</p>		For further information, see the chapter "Sound governance" section "Remuneration report"
	<b>9. Lack of a human rights policy</b>		<p>In 2013, Enel adopted a Human Rights Policy, approved by the Board of Directors and updated in 2021 to take into account the evolution of international frameworks and corporate operational, organizational and management processes. The Policy leverages commitments in several other codes of conduct, such as the Code of Ethics (adopted as early as 2002), the Zero Tolerance of Corruption Plan, and global compliance models, reinforcing and expanding on them. There are 12 policy principles divided into two macro themes: working practices and community and society relations.</p>		For further information, please refer to the chapter "Managing human rights" and the "Human Rights Content Index"
	<b>10. Lack of due diligence</b>		<p>As required by the UN Guidelines and the OECD Guidance on the duty of care for responsible business conduct, Enel has defined a process, codified in a globally applicable internal procedure, which, with reference to the entire value chain in the different countries in which it operates, aims to assess the robustness of the management system to safeguard human rights. The process covers the entire value chain in the various countries in which the Group operates and makes it possible to assess both the level of alignment of processes and procedures with UNGPs management requirements and the degree to which compliance with the principles contained in the Human Rights Policy is integrated within business practices.</p>		For further information, please refer to the chapter "Managing human rights", in particular the section on "Due diligence process" and the "Human Rights Content Index" within the same chapter
<b>HUMAN RIGHTS</b>	<b>11. Lack of processes and measures for preventing trafficking in human beings</b>		<p>Since 2013, Enel's commitment against all forms of human trafficking, has been formally defined in Principle 2.1.1 Rejection of forced or compulsory labor and child labor of the Human Rights Policy.</p>		For further information, please refer to the chapter "Managing human rights" and the "Human Rights Policy" available on the corporate website
	<b>12. Operations and suppliers at significant risk of incidents of child labor</b>		<p>Since 2013, Enel's commitment against all forms of slavery and child labor has been formally defined in Principle 2.1.1 "Rejection of forced or compulsory labor and child labor" in the "Human Rights Policy". Enel believes that children and under-age workers constitute an at-risk category, which is why it pays utmost attention to respecting their rights along the value chain of activities. Enel rejects the use of child labor, as defined by the legislation in force in the country where the activities are carried out. In any case, the age must not be less than the minimum age established by ILO Convention no. 138. Human resources management systems and procedures therefore guarantee the absence of minors in the workforce.</p>		For further information, please refer to the chapter "Managing human rights" and the "Human Rights Policy" available on the corporate website
	<b>13. Operations and suppliers at significant risk of forced or compulsory labor</b>		<p>Since 2013, Enel's commitment against the use of any kind of forced or compulsory labor has been formally defined in Principle 2.1.1 "Rejection of forced or compulsory labor and child labor" in the "Human Rights Policy". 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.</p>		For further information, please refer to the chapter "Managing human rights" and the "Human Rights Policy" available on the corporate website
	<b>14. Number of identified cases of severe human rights issues and incidents</b>		<p>In 2023, no serious human rights violations were reported through the Group's whistleblowing channel.</p>	<p>In 2022, no serious human rights violations were reported through the Group's whistleblowing channel.</p>	For further information, please refer to the chapter "Sound governance - Values and pillars of corporate ethics" and "Stakeholder reports"



	ADDITIONAL INDICATORS	2023	2022	2021	REFERENCE TO 2023 SUSTAINABILITY REPORT CHAPTER
ANTI-CORRUPTION AND ANTI-BRIBERY	<b>15. Lack of anti-corruption and anti-bribery policies</b>	<p>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.</p> <p>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 of 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).</p>			For further information, please refer to the chapter “Sound governance – Values and pillars of corporate ethics” and “Active and passive fight against corruption”
	<b>16. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery</b>	<p>Established breaches related to reports received are subject to disciplinary measures and/or sanctions against the individuals responsible.</p>			Please refer to the chapter “Sound governance – Values and pillars of corporate ethics” and “Stakeholder reports” – “Active and passive fight against corruption”
	<b>17. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws</b>	For 2023, there are no events to report.	Based on reports to the Ethics Channel received in 2022, there were no violations resulting in convictions or fines for the individuals involved. Other than those reported in connection with referrals to the Code of Ethics, there are no other events to report.		Please refer to the chapter “Sound governance – Values and pillars of corporate ethics” and “Stakeholder reports” – “Active and passive fight against corruption”

- (1) The figure for 2022 emissions takes into account a more precise determination.
- (2) The figure for 2022 emissions takes into account a more precise determination.
- (3) The figure for 2022 emissions takes into account a more precise determination.
- (4) For injuries that are still open, for which the closing date of the event is not yet known, the convention of counting lost days until December 31 of the relevant year has been adopted.
- (5) The figure for 2022 takes into account a more precise determination.
- (6) CEO pay ratio has been calculated as follows:
  - i) ratio between the total remuneration of the CEO/GM of Enel in office until May 10, 2023 and the average annual gross remuneration of Group employees;
  - ii) ratio between the total remuneration of the CEO/GM of Enel in office from May 12, 2023 and the average annual gross remuneration of Group employees.
- (7) In order to ensure that the figures for 2023, 2022 and 2021 are comparable, the 2022 and 2021 figures have been adjusted by applying the 2023 exchange rate to the remuneration data.

# EUROPEAN TAXONOMY

**Enel welcomes the development of the EU taxonomy regulation 2020/852**, as it provides a standardized, science-based classification system to identify environmentally sustainable economic activities.

The EU taxonomy regulation acts as an important enabler to promote sustainable investments and accelerate the decarbonization of the European economy, while at the same time creating reliability and transparency for investors and supporting companies in planning the Net Zero transition.

**Enel is committed to reporting on the implementation of Article 8 of the EU taxonomy regulation 2020/852.** Furthermore, the Company is committed on implementing the requirements and criteria in all delegated acts issued by the European Commission by the time of publication of the Sustainability Report. Specifically, this report has been adjusted based on the following regulations:

- Delegated Regulation (EU) 2021/2139 of 4 June 2021 (Climate Delegated Act);
- Delegated Regulation (EU) 2021/2178 of 6 July 2021 (Disclosures Delegated Act);
- Delegated Regulation (EU) 2022/1214 of 9 March 2022 (Complementary Climate Delegated Act);
- Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending the Climate Delegated Act;
- Delegated Regulation (EU) 2023/2486 of 27 June 2023 (Environmental Delegated Act).

**In particular, concerning the Climate Delegated Act, which lays out the criteria for verifying the contribution to climate mitigation and adaptation, Enel welcomes the different thresholds defined in the EU taxonomy regulation on the basis of climate and environmental sciences**, such as the specific emission limit of 100 gCO<sub>2eq</sub>/kWh (taking the whole life cycle into consideration) to measure the substantial contribution to achieving the climate change mitigation objectives established for most power generation technologies, in that it stems from a solid process based on a robust scientific foundation.

However, there are some activities that, although not covered under the EU taxonomy, are critical to ensuring the wellbeing of European citizens, especially in the short and medium term, while contributing to sustainable development in the long term.

The EU taxonomy Climate Delegated Act has not explicitly included the segment relating to retail power sales (with

NACE code D35.1.4), on the assumption that it does not provide a substantial contribution to climate change mitigation. Nevertheless, retail power constitutes a fundamental segment of the power value chain. The exclusion of such activity from the definition of a sustainable power system hinders the key role of the EU market liberalization and ultimately the efforts and value of a decarbonized end use energy consumption. Furthermore, electrification, powered by renewable energy, is the most efficient and cost-effective solution to tackle climate change as it is clean, affordable, and high performing, as well as being the only path for a truly clean energy system. Nevertheless, sustainable electrification of end energy uses requires not only clean technologies in power generation, but also power retail companies to offer renewable electricity to end customers to satisfy their energy demand.

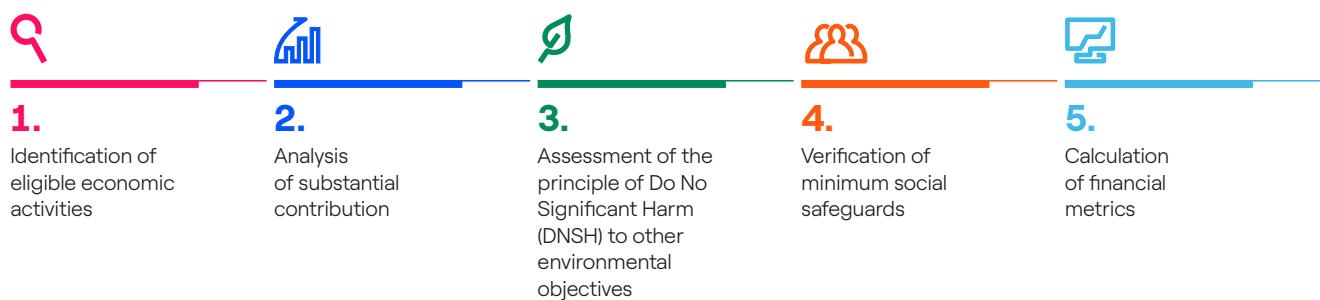
For the reasons stated above, Enel is convinced that the **EU taxonomy should explicitly consider retail power activity as an eligible activity for which alignment should rely on the same criteria available for electricity production activities**. In this way, power sales to end customers would be linked to the production source, promoting retailers to sell power from sustainable sources. This fact is even more relevant in integrated utilities that, even though operating in the power production and power retail segments with different companies within the same Group, run the business model following a comprehensive and unique view of the whole power value chain.

On the other hand, on 27 June 2023, **an important step forward was taken for the completion of the formative process through the publication of the new Delegated Regulation (EU) 2023/2486, so-called Environmental Delegated Act**, which sets out the technical screening criteria also for the remaining four objectives concerning the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and reduction of pollution, and the protection and restoration of biodiversity and ecosystems. Despite the relevant role of this Delegated Act for the overall sustainable development of the European Union, the impact on the electricity sector is much limited as most of the identified business activities do not fall within the sector, as opposite as the Climate Delegated Act. However, few non-core business activities performed by Enel have been identified due to their contribution to two environmental objectives (the protection and restoration of biodiversi-

ty and ecosystem and circular economy), although all of them with a marginal impact in terms of financial metrics. Going beyond the disclosure requirements of the taxonomy, Enel has included the **Capex alignment** percentage as one of the key performance indicators of the **Sustainability-Linked Financing Framework** used to define the Company's sustainable financial instruments for the second consecutive year. With this important move forward, Enel

reinforces the role of the taxonomy as a driver to promote sustainable investment decisions and show how sustainability can be fully integrated into the financial landscape. Consequently, Enel confirmed its target on the proportion of Capex aligned to the EU taxonomy equal to or higher than 80% for the period 2024–2026, according to the new Strategic Plan presented during the Capital Markets Day in November 2023.

## The implementation process



By means of a process overseen by the CEO and Top Management, involving the relevant Functions at corporate and Country level, as well as all Business Lines, a five-step process is in place to analyze the applicability of the EU taxonomy regulation throughout the entire value chain and in all countries where the Company operates.

**1. Identification of eligible economic activities:** Enel has identified all activities within the Group's portfolio that are included in the Climate Delegated Act, the Complementary Delegated Act and in the newly published Environmental Delegated Act on the remaining four objectives. The process was conducted by taking into consideration all six objectives, even though the Group is mostly exposed to climate change mitigation and adaptation objectives while marginally to the other four objectives. Namely, only the following minor activities related to protection and restoration of biodiversity and ecosystem and circular economy were identified as eligible even though they are not material for the Group: "sale of spare parts" and "conservation, including restoration, of habitats, ecosystems and species".

### **2. Analysis of substantial contribution:**

**2.1 Climate change mitigation:** eligible activities identified in the previous phase have been thoroughly analyzed for their compliance with the specific technical screening criteria established to measure their substantial contribution to climate change mitigation. The analysis was carried out following the criteria both in the Climate Delegated Act and Complementary Delegated Act, namely:

**a. Technological analysis for power generation activities.** The threshold of  $100 \text{ gCO}_{2\text{eq}}/\text{kWh}$  measured on a life cycle basis was met according to the following technological approach:

- **coal and liquid fossil fuels:** technology excluded from the EU taxonomy regulation;
- **gas:** the compliance with the threshold of  $100 \text{ gCO}_{2\text{eq}}/\text{kWh}$  set out in the Complementary Delegated Act has been analyzed in all of the gas power plants, while the potential compliance with the alternative criteria set out in the Delegated Act for electricity production from gas has also been checked;
- **nuclear:** Enel has analyzed the eligibility of the three different activities related to electricity production from nuclear identified in the Complementary Delegated Act according to the nuclear assets portfolio in Spain;
- **wind, solar and battery storage:** these are exempt from the carbon intensity threshold verification due to their substantial contribution to climate change mitigation;
- **hydroelectric power:** the carbon intensity threshold was verified only in power plants with a power density below  $5 \text{ W/m}^2$ . All power plants with a power density above  $5 \text{ W/m}^2$ , as well as flowing water plants and pumped storage plants, are exempt from the threshold verification;
- **geothermal:** the threshold was verified by carrying out life cycle assessments certified by indepen-

dent third parties.

**b. Analysis at country, region and system level for the transmission and distribution of electricity.** Compliance with the following technical screening criteria was analyzed in all countries where Enel distributes electricity:

- the Distribution System Operator (DSO) is part of the European interconnected system; or
- non-European DSOs belong to countries with more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO<sub>2eq</sub>/kWh measured on a life cycle basis in accordance with electricity generation criteria, over period 2018–2022 (data made available by national authorities over a rolling five-year period prior to the preparation of the 2021 Sustainability Report); or
- the average emission factor of the non-European DSO network is below the threshold value of 100 gCO<sub>2eq</sub>/kWh measured on a life cycle basis in accordance with electricity generation criteria, in the period 2018–2022.

Infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or grid and a power production plant that is more greenhouse gas intensive than 100 gCO<sub>2eq</sub>/kWh measured on a life cycle basis has been identified and excluded from the eligible aligned DSOs activities.

**c. Product cluster level analysis for Enel X Global Retail (Business Line).** A comprehensive analysis of the Enel X portfolio was performed, classifying eligible activities into the sectors identified in the Climate Delegated Act, such as construction and real estate, transportation, or professional, scientific, and technical activities.

**2.2 Climate change adaptation:** none of the business activities performed by the Group can be considered as enabling activities for climate adaptation as they do not provide adaptation solutions in accordance with Article 11 (1) (b) of the taxonomy regulation, hence no revenues can be considered eligible for this target.

Nevertheless, some business activities performed by the Group are considered adapted as they include adaptation solutions in accordance with Article 11 (1)(a) of the taxonomy regulation. In this case capital expenditures and operational expenditures devoted to the adaptation solutions may be accounted for the climate adaptation objective. In the case of Enel, most of the adaptation solutions are inherent part of the design or refurbishment of assets that themselves are aligned to climate change mitigation objective, making it difficult to distinguish Capex/Opex from each of the two climate

objectives (mitigation and adaptation). Therefore, and following the guidelines set out in the European Commission Notice 2023/305 full Capex and Opex figures have been reported under climate change mitigation objective only as this is the prevalent objective for the Group, hence avoiding any potential double counting.

Further information on Enel's approach to climate adaptation can be found in chapter "Zero emissions ambition and just transition" of the 2023 Sustainability Report and in chapters "Group strategy" and "Risk management" of the 2023 Integrated Annual Report.

**2.3 Other environmental objectives:** the analysis of the alignment of the two minor activities related to protection and restoration of biodiversity and ecosystem and circular economy was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.

**3. Assessment of the principle of Do No Significant Harm (DNSH) to other objectives:** an analysis of existing environmental procedures was carried out to verify compliance with the DNSH quality criteria for each type of technology (for power generation), region (for transmission and distribution) and product cluster level (for activities of the Enel X Global Retail Business Line), adapted to the specific requirements set out for each of the following environmental objectives:

- **climate change mitigation:** applicable only for those activities that are eligible for climate adaptation or any of the other four objectives. In this case, the criteria are considered met as the same activities performed by Enel that might contribute to climate adaptation definitely contribute to climate mitigation, meaning that they meet the technical screening criteria of climate mitigation, which are equivalent or more demanding than the corresponding DNSH criteria on climate mitigation;
- **adaptation to climate change:** analysis of global procedures (including emerging and restoration procedures), assessment of physical climate risks and solutions and adaptation plans in place covering all applicable activities related to power generation, transmission and networks and Enel X Business Line;
- **sustainable use and protection of waters and marine resources:** analysis of water related procedures, authorizations, environmental impact assessments, national regulations and water management plans. The analysis was limited to power generation activities, as it is not applicable to other Business Lines;
- **transition to a circular economy:** analysis of waste management plans, procurement requirements and circular economy projects and plans covering all activities applicable to the generation, transmission

and distribution of electricity and to the products of the Enel X Business Line;

- **pollution prevention and control:** analysis of global procedures and national regulations concerning all applicable activities from power generation, transmission and networks. In addition, specific pollutants were further analyzed, including electromagnetic radiation and PCBs for transmission and networks, and emissions from power generation activities for air quality;
- **protection and restoration of biodiversity and eco-systems:** analysis of global procedures and national regulations covering all applicable activities from power generation, transmission and distribution.

**4. Assessment of the minimum social safeguards:** the Group's human rights due diligence process covers the entire perimeter of Enel. Its commitment to respect human rights is grounded in the United Nations framework "Protect, Respect and Remedy", set out in the Guiding Principles on Business and Human Rights, and

in the OECD Guidelines for Multinational Enterprises. Since 2013, Enel has adopted a specific Human Rights Policy reflecting its commitment, which was updated in 2021 to take into account the evolving international frameworks of reference and its operating, organizational and managerial processes. The content of the policy refers to internationally recognized human rights, understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning the fundamental rights set out in the International Labour Organization conventions underlying the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

For the approach to human rights, phases in the due diligence process, and communication of findings and (possible) remediation plans, please see the chapter "Managing human rights".

The following table illustrates the approach to the minimum safeguards criteria.

## Minimum safeguards criteria

### HUMAN RIGHTS

- The main reference international standards underpinning the Group's commitment are the United Nations "Protect, Respect and Remedy" framework outlined in its Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The commitment is transparently reflected in a specific Human Rights Policy developed and adopted as early as 2013 and refreshed in 2021.
- The Group has committed to monitor the implementation of the policy through a specific due diligence<sup>(1)</sup> process in line with the UN Guidelines and with the OECD Due Diligence Guidance for Responsible Business Conduct. For further details, see the chapter "Managing human rights".

### CORRUPTION

- As reflected in the Human Rights Policy, Enel rejects corruption in all its forms, both direct and indirect, since it believes it is one of the factors undermining institutions and democracy, ethical values and justice, and the wellbeing and development of society.
- To this end, Enel reiterates its commitment to fight corruption through a plan called "Zero Tolerance of Corruption" which is one of the pillars on which the Anti-bribery Management System and the Group Code of Ethics are grounded.

### TAX STRATEGY

- Enel Group has set out a tax strategy to ensure a fair, responsible and transparent taxation, with the aim of guaranteeing consistent and uniform tax management across all entities belonging to the Group. The tax management activity is based on the concurrent objectives of:
  1. the correct and timely calculation and payment of due taxes, and fulfilment of the related obligations;
  2. the mitigation of tax risk, defined as the risk of violating tax laws, or of abusing the principles and purposes of tax regulations. For additional details, please refer to the chapter "Tax transparency".

### FAIR COMPETITION

- Enel promotes the principle of fair competition and refrains from collusive or predatory conduct and abuses of a dominant position, as reflected in the Group Code of Ethics.

(1) In the context of the Guiding Principles on Business and Human Rights (Principles 17-21), this term refers to a continuously evolving management system implemented by a company, in accordance with the sector in which it works, its operating contexts, its organizational structure, to ensure it is not involved in human rights violations. This implies "identifying, preventing, mitigating and reporting" potential negative impacts deriving from the company's business activities.

**5. Calculation of financial metrics:** the corresponding financial metrics were associated with each economic activity according to the classification made in steps 1-4, collecting the relevant financial information from the Group's accounting system. In addition, some proxies have been performed for specific activities when financial information was not available in the accounting system (described in the section on the calculation of financial metrics).

Through this process, Enel has classified all economic

activities along its value chain for their contribution to the climate change mitigation objective, which is the most relevant for the Group, according to the following three categories: eligible aligned, eligible non-aligned, and non-eligible. However, it is important to note that activities classified as eligible aligned from a climate change mitigation perspective also include adaptation solutions (mainly in the design and construction phase of assets) and are therefore also eligible aligned for this other objective.

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#### ELIGIBLE ALIGNED

**Eligible aligned:** refers to an economic activity that simultaneously satisfies the following three conditions:

- it is explicitly included in the EU taxonomy regulation for its substantial contribution to climate change mitigation; and
- it meets the specific criteria developed by the EU taxonomy regulation for that specific environmental objective; and
- it meets all DNSH criteria and minimum social safeguards.

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#### ELIGIBLE NON-ALIGNED

**Eligible non-aligned:** refers to an economic activity that:

- is explicitly included in the EU taxonomy regulation for its substantial contribution to climate change mitigation or adaptation; but
- does not meet the specific criteria developed by the EU taxonomy regulation for those specific environmental objectives; or
- does not meet all the DNSH criteria and/or the minimum social safeguards.

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#### NON-ELIGIBLE

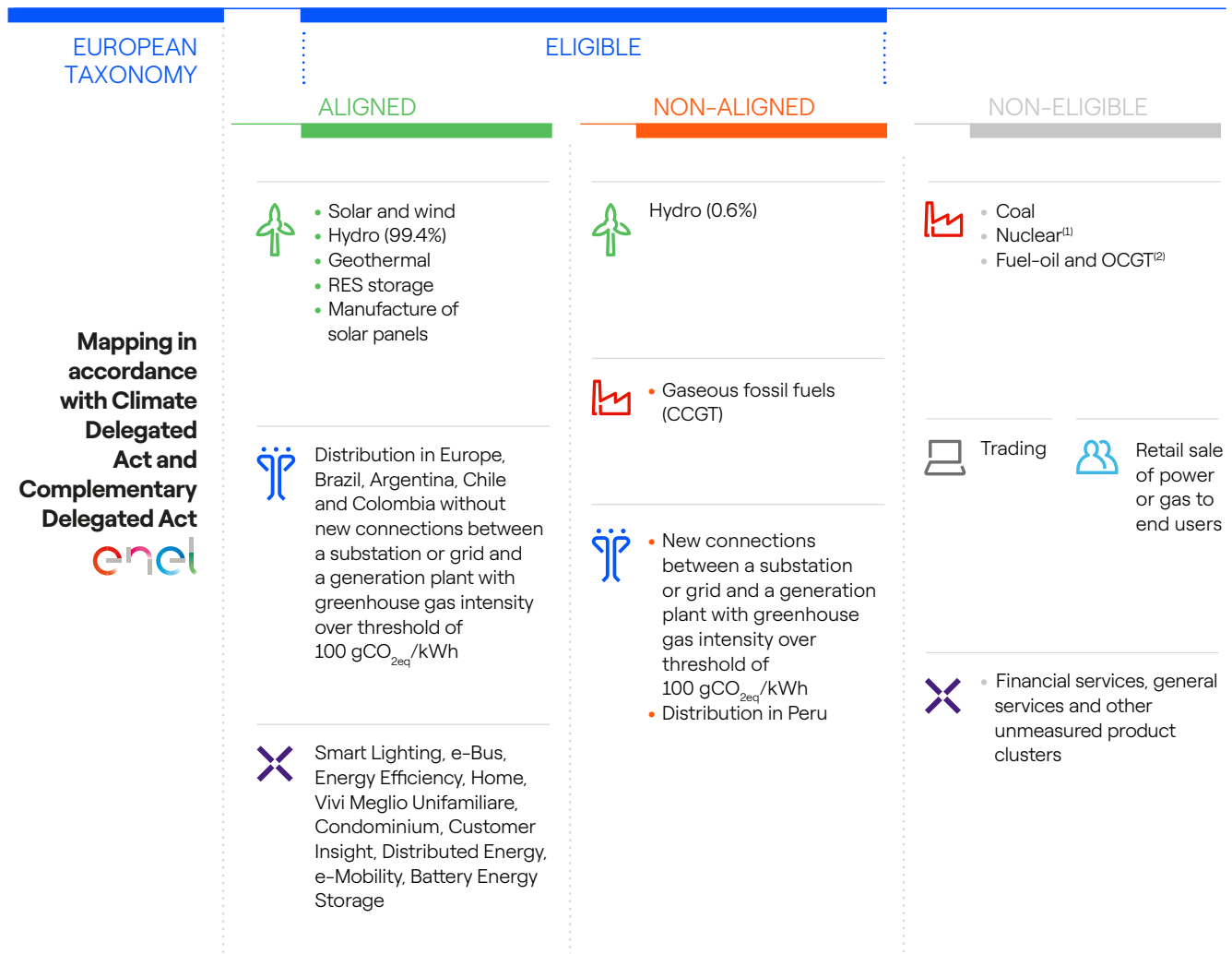
**Non-eligible:** refers to an economic activity that has not been identified by the EU taxonomy regulation as a substantial contributor to climate change mitigation and for which no criteria have therefore been developed. The logic of the European Commission is that these activities might:

- not have a significant impact on climate change mitigation or could be integrated into the EU taxonomy regulation at a later stage;
- cause a very significant impact on climate change mitigation, so they cannot be eligible in any case.

Consequently, the existence of the third category "non-eligible" makes it impossible to achieve a business model that is fully aligned with the criteria of the EU taxonomy

regulation, even though these non-eligible activities might not cause any harm to the EU's environmental objectives.

# Mapping of Enel's business activities for their contribution to climate change mitigation




(1) The operation of the nuclear generation portfolio is not included among the eligible activities considered by the Complementary Delegated Act in the generation of electricity from nuclear power plants.

(2) Includes both fuel-oil and gas (OCGT) as it is not possible to divide the two types of fuel. Fuel-oil was considered to be the prevalent fossil fuel and is therefore non-eligible under the EU taxonomy regulation.



In 2023, the eligibility analysis of Enel's productive economic activities has been updated by incorporating the published


delegated acts, implementing the process described above based on the three categories mentioned above.

## ELIGIBLE ALIGNED ACTIVITIES



BUSINESS LINE	ACTIVITY	DESCRIPTION OF THE ACTIVITY (ACCORDING TO THE EU TAXONOMY REGULATION)	CONDITION ALIGNED WITH REQUIREMENTS
 <b>POWER GENERATION</b>	Electricity generation from wind power	(4.3) - Construction or operation of electricity generation facilities that produce electricity from wind power.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Electricity generation using solar photovoltaic technology	(4.1) - Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Electricity generation from hydropower	(4.5) - Construction or operation of electricity generation facilities that produce electricity from hydropower.	99.4% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation, since it includes all flowing water plants, all pumped storage plants, all reservoir plants with a power density above 5 W/m<sup>2</sup> and all reservoir plants below 5 W/m<sup>2</sup> with a life cycle greenhouse gas intensity below 100 gCO<sub>2eq</sub>/kWh as certified by G-RES;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, water and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Electricity generation from geothermal energy	(4.6) - Construction or operation of electricity generation facilities that produce electricity from geothermal energy.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation, as all power plants have a life cycle GHG emission intensity of less than 100 gCO<sub>2eq</sub>/kWh, as verified by an independent third party;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, water, pollution and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Storage of electricity (batteries)	(4.10) - Construction and operation of facilities that store electricity.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, water and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Manufacture of solar panels	(3.1) - Manufacture of renewable energy technologies.	The activity is eligible and aligned because: <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, water and biodiversity;</li> <li>it complies overall with minimum social safeguards.</li> </ul>







BUSINESS LINE	ACTIVITY	DESCRIPTION OF THE ACTIVITY (ACCORDING TO THE EU TAXONOMY REGULATION)	CONDITION ALIGNED WITH REQUIREMENTS
 <b>ENEL GRIDS</b>	Transmission and distribution of electricity	(4.9) - Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system. Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.	<p>The DSOs in Italy, Romania, Spain, Brazil, Chile, Colombia and Argentina are aligned in that:</p> <ul style="list-style-type: none"> <li>they make a substantial contribution to climate change mitigation, in particular: <ul style="list-style-type: none"> <li>the DSOs in Italy, Romania and Spain are part of the European interconnected system;</li> <li>the DSOs in Brazil, Chile, Colombia and Argentina belong to electricity systems where more than 67% of newly installed capacity in the last five years has a life cycle GHG intensity of less than 100 gCO<sub>2eq</sub>/kWh, according to the latest data available from national authorities;</li> </ul> </li> <li>they comply overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, pollution and biodiversity.</li> </ul> <p>Some infrastructures have been excluded from these DSOs (refer to eligible but not aligned activities).</p>
	Smart Lighting (City)	Installation, maintenance and repair of energy efficiency equipment (7.3) - Installation and replacement of energy efficient light sources (7.3 d).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation and pollution objectives;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	e-Bus (City)	Urban and suburban transport, road passenger transport (6.3) - The activity provides urban or suburban passenger transport and its direct (tailpipe) CO <sub>2</sub> emissions are zero (6.3 a).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the applicable objectives: adaptation, circular economy and pollution;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Energy Efficiency (City)	Installation, maintenance and repair of energy efficiency equipment (7.3) - Addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure air-tightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive) (7.3 a) - Replacement of existing windows with new energy efficient windows (7.3 b) - Replacement of existing external doors with new energy efficient doors (7.3 c) - Installation and replacement of energy efficient light sources (7.3 d) - Installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies (7.3 e).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation objective;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
 <b>ENEL X</b>	Home	Installation, maintenance and repair of energy efficiency equipment (7.3) (7.3 a-e). For the details, see the points discussed above.	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation and pollution objectives;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Vivi Meglio Unifamiliare (Home)	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) - Installation, maintenance and repair of zoned thermostats, smart thermostat systems and sensing equipment, including motion and day light control (7.5 a).	
	Condominium	Installation, maintenance and repair of renewable energy technologies (7.6) - Installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment (7.6 a).	

BUSINESS LINE	ACTIVITY	DESCRIPTION OF THE ACTIVITY (ACCORDING TO THE EU TAXONOMY REGULATION)	CONDITION ALIGNED WITH REQUIREMENTS
	Distributed Energy (Industry)	Professional services related to energy performance of buildings (9.3).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation objective;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
		Installation, maintenance and repair of energy efficiency equipment (7.3) - Installation and replacement of energy efficient light sources (7.3 d) - Installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies (7.3 e) - Installation, maintenance and repair of renewable energy technologies (7.6) - Installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment (7.6 a).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation and pollution objectives;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	Battery Energy Storage (Industry)	Installation, maintenance and repair of renewable energy technologies (7.6) - Installation, maintenance and repair of thermal or electric energy storage units and the ancillary technical equipment (7.6 f).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for the adaptation objective;</li> <li>it complies overall with minimum social safeguards.</li> </ul>
	e-Mobility	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) - Infrastructure for personal mobility (6.13).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> <li>it makes a substantial contribution to climate change mitigation, as no specific technical screening criteria are required;</li> <li>it complies overall with DNSH criteria for all objectives;</li> <li>it complies overall with minimum social safeguards.</li> </ul>

## ELIGIBLE NON-ALIGNED ACTIVITIES

BUSINESS LINE	ACTIVITY	DESCRIPTION OF THE ACTIVITY (ACCORDING TO THE EU TAXONOMY REGULATION)	ELIGIBLE NON-ALIGNED CONDITION
 <b>POWER GENERATION</b>	Electricity generation from hydropower	(4.5) – Construction or operation of electricity generation facilities that produce electricity from hydropower.	0.6% of installed capacity is eligible but not aligned because it was not possible to verify the technical screening criteria related to power density and thus to the life cycle greenhouse gas intensity.
	Electricity generation from fossil gaseous fuels	(4.29) – Construction or operation of electricity generation facilities that produce electricity from fossil gaseous fuels. It refers to thermal power plants with CCGT technology.	100% of installed capacity is eligible but not aligned because all power plants exceed the threshold of 100 gCO <sub>2eq</sub> /kWh measured on life cycle basis, while also the alternative criteria are not satisfied.
 <b>ENEL GRIDS</b>	Transmission and distribution of electricity	Transmission and distribution of electricity (4.9) – Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system. Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.	<p>Infrastructures built during the year and dedicated to the realization of a direct connection or the expansion of an existing direct connection between a substation or grid and a power plant with a greenhouse gas intensity exceeding the threshold of 100 gCO<sub>2eq</sub>/kWh measured on a life cycle basis.</p> <p>The DSO in Peru has a GHG intensity in excess of 100 gCO<sub>2eq</sub>/kWh, and belong to electrical systems where less than 67% of newly installed capacity in the last five years has a life cycle GHG intensity of less than 100 gCO<sub>2eq</sub>/kWh, according to the latest data available from national authorities.</p>
<p>Sale of spare parts – Circular economy 5.2</p> <p>Conservation, including restoration, of habitats, ecosystems and species – Biodiversity and ecosystems 1.1</p> <p>The analysis of the alignment of the two minor activities was not carried out for the purpose of the Sustainability Report 2023 and will be disclosed next year in line with the timeline set by the Environmental Delegated Act.</p>			

## NON-ELIGIBLE ACTIVITIES

BUSINESS LINE	ACTIVITY	DESCRIPTION OF THE ACTIVITY	NON-ELIGIBLE CONDITION
 <b>POWER GENERATION</b>	Generation of electricity from coal and liquid fossil fuels	Construction and operation of coal-fired and liquid fossil fuel power plants. It refers to thermal power plants that combine fuel-oil and gas, with OCGT technology, for which a further breakdown is not feasible.	The activity has been excluded from the EU taxonomy regulation as it is considered very harmful.
	Electricity generated by nuclear power plants	Construction and operation of nuclear power plants.	The business activity performed by Enel in its nuclear power plants in Spain has not been explicitly mentioned in the Complementary Delegated Act, and it does not fit within the three specific nuclear-related activities identified in such Delegated Act.
 <b>TRADING</b>	Energy sales (wholesale)	Wholesale of power and related activities.	This activity is not considered in the Climate Delegated Act.
 <b>MARKET</b>	Electricity and gas sales (end customers)	Retail sales of electricity and gas by Group companies.	This activity is not considered in the Climate Delegated Act.
 <b>ENEL X</b>	Other activities	Financial services, hardware and software, insurance policies and other general services.	These activities are not considered in the Climate Delegated Act.

# Process for calculating the financial metrics

During the process of calculating the financial metrics, the following criteria were adopted and the following considerations were made.

- The three financial metrics required by the EU taxonomy regulation (turnover, capital expenditure – Capex – and operating expenditure – Opex) were calculated according to the eligibility analysis described in the previous section.
- Although not expressly required, Enel also performed an assessment in terms of the ordinary gross operating profit (EBITDA) believing that this metric represents the actual financial performance of integrated utilities such as Enel. A metric that considers only turnover is strongly influenced by the business activities with a high volume of revenues (such as the wholesale market – trading) that do not contribute proportionally to growth in the ordinary gross operating profit to the same extent as other business activities.
- The financial information was gathered from the digital accounting system used by the Enel Group, or from the management systems in use by the Company's Business Lines. However, some proxies were delegated to provide a more detailed representation of the figures or to exclude specific activities from the overall calculation of eligible alignment (such as non-aligned hydroelectric power generation or infrastructure considered eligible but not aligned among eligible and aligned distribution network systems). For example, the following proxies were used:
  - hydroelectric: eligible non-aligned hydroelectric power plants were excluded by considering their output multiplied by the average turnover per unit in the years 2022 and 2023. This approach was also extended to Capex, Opex and EBITDA;
  - infrastructure and networks: concerning Capex, new connections between a substation or grid and a power plant with a greenhouse gas intensity above the threshold of 100 gCO<sub>2eq</sub>/kWh were excluded considering their capacity (in MW) multiplied by the average Capex per unit (k€/MW) for the years 2022 and 2023. This approach was also extended to turnover based on the on the assets' lifespan.
- Aggregate financial data in the report refer to the "sector" level and include items related to third parties and inter sectorial exchanges.
- Financial metrics were represented by considering all electricity and gas sales as "non-eligible".
- Revenues classified as eligible aligned also include intercompany revenues related to the sale of renewable electricity produced by the Group's generation companies and sold to the Group's retail companies for marketing to end customers, according to the Group's integrated position.
- Capex: they cover costs that are accounted based on IFRS 16 Leases, paragraph 53, point (h), as requested by the Commission Delegated Regulation (EU) 2021/2178.
- Absolute turnover/Capex/Opex/EBITDA correspond to the turnover/Capex/Opex/EBITDA (measured in euros) of each specific activity. The share of individual KPIs corresponds to each individual economic activity in the total turnover/Capex/EBITDA of the Group (except for Opex, as the total of which refers only to the type of costs required by the taxonomy).
- No Capex and Opex figures that may correspond to adaptation solutions – in accordance with Article 11 (1) (a) of EU taxonomy regulation – in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective. Furthermore, no revenues were considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (1) (b) of EU taxonomy regulation.
- For those minor activities that are eligible for either the protection and restoration of biodiversity and ecosystem or the circular economy objective a rounded figure of "0" has been reported due to its insignificant weight out of overall financial figures.

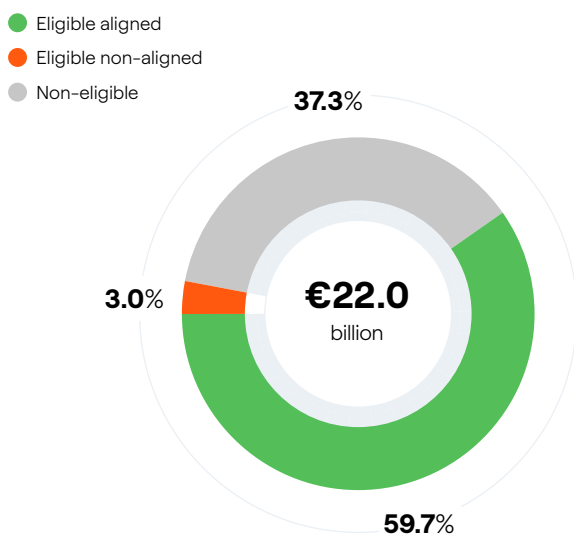
# Statement on the alignment of Enel's business to the EU taxonomy regulation

## Overall results

The level of alignment of the Group's economic activities with the EU taxonomy regulation in 2023, made possible mainly by their substantial contribution to the climate change mitigation objective while respecting the principle

of Do No Significant Harm (DNSH) to other environmental objective and observing the minimum social safeguards, is shown below.

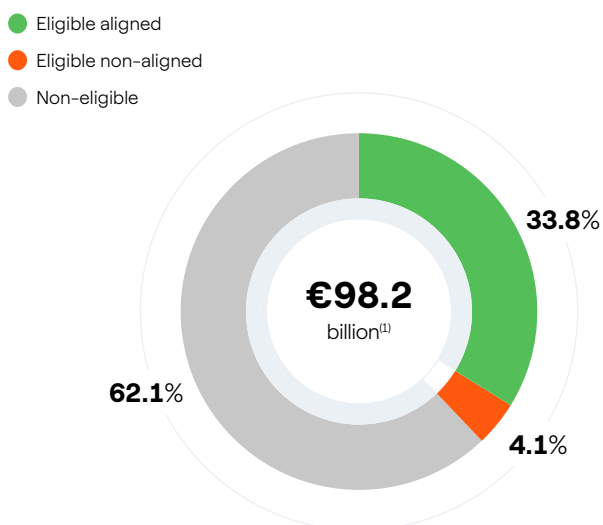
### EBITDA (ordinary) 2023



**59.7%** of ordinary EBITDA in 2023 relates to the business activities aligned to the EU taxonomy, compared to **56.7%** in 2022.

The EBITDA percentage of eligible taxonomy-aligned business activities increases in 2023 compared to 2022 mainly thanks to an increase in the EBITDA of renewable energy production and distribution activities in absolute terms. At the same time, there is a decrease in the EBITDA of the eligible non-aligned activities due to the thermoelectric power generation business from combined cycles, which produced lower energy volumes in 2023 compared to 2022.

### TURNOVER "REVENUE" 2023



In 2023 **33.8%** of revenues are related to business activities aligned to the EU taxonomy, compared to **21.4%** in 2022.

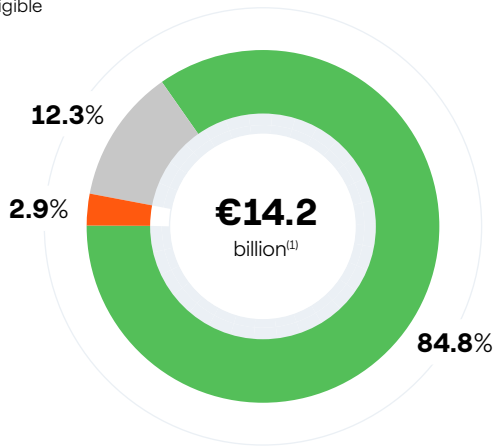
In 2023, revenues decreased in absolute terms by 44.8 billion euros compared to 2022. The change is mainly attributable to the lower volumes of electricity produced, the lower quantities of energy sold in the wholesale and retail markets, as well as the decrease in average selling prices of commodities, thus impacting non-eligible and non-aligned activities.

At the same time, an increase in revenues related to the production of energy from renewable sources was observed in 2023, resulting in an increase in absolute terms of revenues in aligned activities from 30.6 billion euros in 2022 to 33.1 billion euros in 2023. These phenomena contributed to the increase in the percentage weight of revenues from EU taxonomy-aligned activities by 12% year-on-year.

(1) Revenue refers to the ordinary income statement.

## CAPEX 2023

- Eligible aligned
- Eligible non-aligned
- Non-eligible



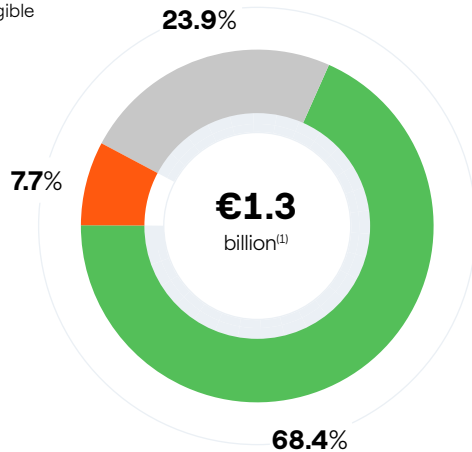
(1) Also includes the increases in assets deriving from leasing operations (for 0.7 billion euros).

**84.8%** of capital expenditure (Capex) in 2023 is related to business activities aligned to the EU taxonomy, compared to **81.9%** in 2022. This increase is mainly due to higher investments in energy storage systems through BESS (Battery Energy Storage Systems) and a reduction in investments in non-eligible or non-aligned thermoelectric technologies.

The actual 2023 Capex for eligible aligned assets is 4.0% higher than the Capex planned for 2023 in the Strategic Plan 2023-2025 for the same assets. This change is mainly due to higher investments in absolute terms in eligible aligned renewable and distribution activities than planned (approximately 1.9 billion euros).

## OPEX (ordinary) 2023

- Eligible aligned
- Eligible non-aligned
- Non-eligible



(1) Only expenses required by the taxonomy.

**68.4%** of operating expenses (Opex) in 2023 relate to business activities aligned to the EU taxonomy, compared to **66.9%** in 2022.

The percentage of Opex of eligible taxonomy-aligned business activities increases in 2023 compared to 2022 mainly due to higher maintenance costs incurred in photovoltaic renewable energy production and taxonomy-aligned distribution activities.

## Detailed results

The following tables are represented according to what is required by EU Regulation 852/2020, therefore consider-

ing the activity of electricity sales as "non-eligible".

### EBITDA (ordinary)

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) taxonomy-aligned (A.1) cross operating profit (EBITDA) 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
<b>A. Taxonomy-eligible activities</b>																			
Electricity generation from wind power	CCM 4.3	1,755	8.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	106		
Electricity generation using solar photovoltaic technology	CCM 4.1	786	3.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.0		
Electricity generation from hydropower	CCM 4.5	2,233	10.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.0		
Electricity generation from geothermal energy	CCM 4.6	292	1.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-0.7		
Storage of electricity	CCM 4.10	82	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Transmission and distribution of electricity	CCM 4.9	7632	34.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	36.3	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d	110	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a	26	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e	7	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a	195	0.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.0	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy aligned (A.1) activity (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	14	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 7.3 a-e	99	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 7.3 d, e; 7.6 a	1	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 7.6 f	-2	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4	-132	-0.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-0.5	E	
Manufacture of renewable energy technologies	CCM 3.1	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
<b>EBITDA of environmentally sustainable activities (taxonomy-aligned) (A.1)</b>		<b>13,098</b>	<b>59.7</b>	<b>59.7</b>	<b>0.0<sup>(A)</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>56.7</b>		
<b>Of which enabling %</b>			36.5	36.5	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	37.6	E	
<b>Of which transitional %</b>			0.0	0.0													0.0		T



A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")							Category				
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) eligible (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity		
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	%	E
Electricity generation from hydropower	CCM 4.5	5	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.0		
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO <sub>2eq</sub> /kWh)	CCM 4.9	224	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									2.9		
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29	450	2.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									12.7		
Sale of spare parts	CE 5.2	0	0.0	N/EL	N/EL	N/EL	EL <sup>(2)</sup>	N/EL	N/EL	N/EL									0.0		
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	EL <sup>(2)</sup>									0.0		
<b>EBITDA of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)</b>		<b>679</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>									<b>15.6</b>		
<b>A.EBITDA of taxonomy-eligible activities (A.1 + A.2)</b>		<b>13,777</b>	<b>62.7</b>	<b>62.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>									<b>72.3</b>		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities			
Electricity generation from coal	n.a.	869	4.0
Electricity generation from nuclear	n.a.	511	2.3
Electricity generation from Oil&Gas (OCGT) <sup>(3)</sup>	n.a.	405	1.8
Enel X (only non-eligible activities)	n.a.	-60	-0.3
Trading activities (Energy sales - wholesale)	n.a.	1,525	6.9
Market (Gas sales - end customer)	n.a.	739	3.4
Market (Power sales - end customer)	n.a.	4,125	18.8

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or eligible (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
Services, Holding & Others	n.a.	-318	-1.4																
Elisions and adjustments	n.a.	396	1.8																
<b>EBITDA of taxonomy-non-eligible activities</b>		<b>8,192</b>	<b>37.3</b>																
<b>Total (A + B)</b>		<b>21,969</b>	<b>100.0</b>																

PROPORTION OF EBITDA/TOTAL EBITDA

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
<b>CCM</b>	59.7	62.7
<b>CCA</b>	0.0	0.0
<b>WTR</b>	0.0	0.0
<b>CE</b>	0.0	0.0
<b>PPC</b>	0.0	0.0
<b>BIO</b>	0.0	0.0

N/EL - non-eligible

- (1) No EBITDA figures were considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (b) of EU taxonomy regulation.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Turnover "Revenue"<sup>(1)</sup>

Economic activities	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category		
	Taxonomy code	Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity
	millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. Taxonomy-eligible activities</b>																			
Electricity generation from wind power	CCM 4.3	3,063	3.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.4		
Electricity generation using solar photovoltaic technology	CCM 4.1	1,084	1.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7		
Electricity generation from hydropower	CCM 4.5	6,774	6.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.0		
Electricity generation from geothermal energy	CCM 4.6	555	0.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4		
Storage of electricity	CCM 4.10	72	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Transmission and distribution of electricity	CCM 4.9	19,915	20.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.9	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d	313	0.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a	87	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e	53	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a	442	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category		
	Taxonomy code	Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity
	millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9,3	66	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 73 a-e	245	0.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of energy efficiency equipment (73) Installation, maintenance and repair of renewable energy technologies (76) (Enel X - Distributed Energy)	CCM 73 d, e; 76 a	131	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 76 f	27	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (74) (e-Mobility)	CCM 6.13; 74	246	0.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Manufacture of renewable energy technologies	CCM 3.1	0.0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
<b>Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)</b>		<b>33,073</b>	<b>33.8</b>	<b>33.8</b>	<b>0.0<sup>2)</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>21.4</b>		
<b>Of which enabling %</b>			22.0	22.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	14.8	E	
<b>Of which transitional %</b>			0.0	0.0													0.0		T

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")							Category		
		Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Electricity generation from hydropower	CCM 4.5	50	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0			
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO <sub>2eq</sub> /kWh)	CCM 4.9	934	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL							1.3			
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29	2,984	3.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL							6.6			
Sale of spare parts	CE 5.2	0.0	0.0	N/EL	N/EL	N/EL	EL <sup>(3)</sup>	N/EL	N/EL							0.0			
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0.0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	EL <sup>(3)</sup>							0.0			
<b>Turnover of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)</b>		<b>3,968</b>	<b>4.1</b>	<b>4.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>7.9</b>			
<b>A. Turnover of taxonomy-eligible activities (A.1 + A.2)</b>		<b>37,041</b>	<b>37.9</b>	<b>37.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>29.3</b>			

B. Taxonomy-non-eligible activities			
Electricity generation from coal	n.a.	2,884	2.9
Electricity generation from nuclear	n.a.	1,455	1.5
Electricity generation from Oil&Gas (OCGT) <sup>(4)</sup>	n.a.	3,483	3.4
Enel X (only non-eligible activities)	n.a.	559	0.5
Trading activities (Energy sales - wholesale)	n.a.	29,407	30.0
Market (Gas sales - end customer)	n.a.	8,794	9.0
Market (Power sales - end customer)	n.a.	40,930	41.7

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Services, Holding & Others	n.a.	2,058	2.1																
Elisions and adjustments	n.a.	-28,448	-29.0																
<b>Turnover of taxonomy-non-eligible activities</b>		<b>61,122</b>	<b>62.1</b>																
<b>Total (A + B)</b>		<b>98,163</b>	<b>100.0</b>																

PROPORTION OF TURNOVER/TOTAL TURNOVER

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	33.8	37.9
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

N/EL - non-eligible

- Revenue refers to the ordinary income statement.
- No revenues figures were considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (b) of EU taxonomy regulation.
- The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute Capex "Capital expenditure" 2023	Proportion of Capex "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
<b>A. Taxonomy-eligible activities</b>																			
Electricity generation from wind power	CCM 4.3 / CCA 4.3	1,125	7.9	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	14.7		
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	2,400	16.8	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	18.9		
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	463	3.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.9		
Electricity generation from geothermal energy	CCM 4.6 / CCA 4.6	136	1.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8		
Storage of electricity	CCM 4.10 / CCA 4.10	1,322	9.3	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.5	E	
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	5,376	37.7	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	34.7	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d / CCA 7.3 d	130	0.9	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a / CCA 6.3 a	8	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e / CCA 7.3 a-e	13	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a / CCA 7.3 a-e; 7.5 a; 7.6 a	71	0.5	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
		Absolute Capex: "Capital expenditure" 2023	Proportion of Capex: "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex: "Capital expenditure" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	4	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.0	E		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 7.3 a-e / CCA 7.3 a-e	17	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.2	E		
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 7.3 d, e; 7.6 a / CCA 7.3 d, e; 7.6 a	59	0.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.1	E		
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 7.6 f / CCA 7.6 f	44	0.3	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.4	E		
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4 / CCA 6.13; 7.4	106	0.7	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.7	E		
Manufacture of renewable energy technologies	CCM 3.1 / CCA 3.1	337	2.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	1.1	E		
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	486	3.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	2.8			
<b>Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)</b>		<b>12,097</b>	<b>84.8</b>	<b>84.8</b>	<b>0.0<sup>(1)</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>81.9</b>			
<b>Of which enabling %</b>			52.4	52.4	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	41.8	E		
<b>Of which transitional %</b>			0.0	0.0												0.0		T	



A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")							Category		
		Absolute Capex: "Capital expenditure" 2023	Proportion of Capex: "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex: "Capital expenditure" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL; EL; N/EL	Y; N; N/EL; EL; N/EL	Y; N; N/EL; EL; N/EL	Y; N; N/EL; EL; N/EL	Y; N; N/EL; EL; N/EL	Y; N; N/EL; EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	4	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL							0.0			
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO <sub>2eq</sub> /kWh)	CCM 4.9 / CCA 4.9	123	0.9	EL	EL	N/EL	N/EL	N/EL	N/EL							2.6			
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29 / CCA 4.29	269	1.9	EL	EL	N/EL	N/EL	N/EL	N/EL							2.6			
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	19	0.1	EL	EL	N/EL	N/EL	N/EL	N/EL							1.1			
Sale of spare parts	CE 5.2	0	0.0	N/EL	N/EL	N/EL	EL <sup>(2)</sup>	N/EL	N/EL							0.0			
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	EL <sup>(2)</sup>							0.0			
<b>Capex of taxonomy -eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)</b>		<b>415</b>	<b>2.9</b>	<b>2.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>6.3</b>			
<b>A. Capex of taxonomy-eligible activities (A.1 + A.2)</b>		<b>12,512</b>	<b>87.7</b>	<b>87.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>88.2</b>			

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities		2023	2023
	Taxonomy code	millions of euro	%
Electricity generation from coal	n.a.	52	0.4
Electricity generation from nuclear	n.a.	171	1.2
Electricity generation from Oil&Gas (OCGT) <sup>(3)</sup>	n.a.	209	1.5
Enel X (only non-eligible activities)	n.a.	103	0.7
Trading activities (Energy sales - wholesale)	n.a.	58	0.4

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute Capex "Capital expenditure" 2023	Proportion of Capex "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
Market (Gas sales - end customer)	n.a.	106	0.7																
Market (Power sales - end customer)	n.a.	512	3.6																
Services, Holding & Others	n.a.	193	1.4																
Elisions and adjustments	n.a.	152	1.1																
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	179	1.3																
<b>Capex of taxonomy-non-eligible activities</b>		<b>1,735</b>	<b>12.3</b>																
<b>Total (A + B)</b>		<b>14,247</b>	<b>100.0</b>																

## PROPORTION OF CAPEX/TOTAL CAPEX

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
<b>CCM</b>	84.8	87.7
<b>CCA</b>	0.0	87.7
<b>WTR</b>	0.0	0.0
<b>CE</b>	0.0	0.0
<b>PPC</b>	0.0	0.0
<b>BIO</b>	0.0	0.0

N/EL - non-eligible

- (1) No Capex figures that may correspond to adaptation solutions - in accordance with Article 11 (1) (b) of EU taxonomy regulation - in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Opex (ordinary)

Economic activities	2023		Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")							Category		
	Taxonomy code	Absolute ordinary Opex 2023 millions of euro	Proportion of ordinary Opex 2023 %	Climate change mitigation (CCM) Y; N; N/EL	Climate change adaptation (CCA) Y; N; N/EL	Water and marine resources (WTR) Y; N; N/EL	Circular economy (CE) Y; N; N/EL	Pollution (PPC) Y; N; N/EL	Biodiversity and ecosystems (BIO) Y; N; N/EL	Climate change mitigation (CCM) Y/N	Climate change adaptation (CCA) Y/N	Water and marine resources (WTR) Y/N	Circular economy (CE) Y/N	Pollution (PPC) Y/N	Biodiversity and ecosystems (BIO) Y/N	Minimum safeguards Y/N	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex 2022 %	Enabling activity E	Transitional activity T
<b>A. Taxonomy-eligible activities</b>																			
Electricity generation from wind power	CCM 4.3 / CCA 4.3	86	6.8	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.2		
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	57	4.5	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.9		
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	153	12.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12.9		
Electricity generation from geothermal energy	CCM 4.6 / CCA 4.6	5	0.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4		
Storage of electricity	CCM 4.10 / CCA 4.10	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	559	44.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	41.8	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d / CCA 7.3 d	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a / CCA 6.3 a	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e / CCA 7.3 a-e	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a / CCA 7.3 a-e; 7.5 a; 7.6 a	1	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	1	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH Criteria ("Do No Significant Harm")								Category	
		Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BD)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BD)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 73 a-e / CCA 73 a-e	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.1	E		
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 73 d, e; 76 a / CCA 73 d, e; 76 a	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.0	E		
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 76 f / CCA 76 f	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.0	E		
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 74 / CCA 6.13; 74	2	0.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.3	E		
Manufacture of renewable energy technologies	CCM 3.1 / CCA 3.1	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	0.0	E		
<b>Opex of environmentally sustainable activities (taxonomy-aligned) (A.1)</b>		<b>864</b>	<b>68.4</b>	<b>68.4</b>	<b>0.0<sup>(1)</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>66.9</b>			
<b>Of which enabling %</b>			44.6	44.6	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	42.5	E		
<b>Of which transitional %</b>			0.0	0.0												0.0		T	

A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH Criteria ("Do No Significant Harm")							Category		
		Absolute ordinary Opex, 2023	Proportion of ordinary Opex, 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex, 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL; N/EL	Y; N; N/EL; N/EL	Y; N; N/EL; N/EL	Y; N; N/EL; N/EL	Y; N; N/EL; N/EL	Y; N; N/EL; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	1	0.1	EL	EL	N/EL	N/EL	N/EL	N/EL							0.0			
Transmission and distribution of electricity (Peru and new connections to plants with threshold >100 gCO <sub>2eq</sub> /kWh)	CCM 4.9 / CCA 4.9	10	0.8	EL	EL	N/EL	N/EL	N/EL	N/EL							3.9			
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29 / CCA 4.29	86	6.8	EL	EL	N/EL	N/EL	N/EL	N/EL							8.9			
Sale of spare parts	CE 5.2	0	0.0	N/AM	N/AM	N/EL	EL <sup>(2)</sup>	N/EL	N/EL							0.0			
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/AM	N/AM	N/EL	N/EL	N/EL	EL <sup>(2)</sup>							0.0			
<b>Opex of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)</b>		<b>97</b>	<b>7.7</b>	<b>7.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>12.8</b>			
<b>A.Opex of taxonomy-eligible activities (A.1 + A.2)</b>		<b>961</b>	<b>76.1</b>	<b>76.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>							<b>79.7</b>			

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities		Absolute ordinary Opex, 2023	Proportion of ordinary Opex, 2023
Electricity generation from coal	n.a.	48	3.8
Electricity generation from nuclear	n.a.	80	6.3
Electricity generation from Oil&Gas (OCGT) <sup>(3)</sup>	n.a.	101	8.0
Enel X (only non-eligible activities)	n.a.	4	0.3
Trading activities (Energy sales - wholesale)	n.a.	4	0.3
Market (Gas sales - end customer)	n.a.	3	0.2

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")							Category	
		Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex 2023	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
Market (Power sales - end customer)	n.a.	14	1.1																
Services, Holding & Others	n.a.	50	4.0																
Elisions and adjustments	n.a.	-1	-0.1																
<b>Opex of taxonomy-non-eligible activities</b>		<b>303</b>	<b>23.9</b>																
<b>Total (A + B)</b>		<b>1,264</b>	<b>100.0</b>																

PROPORTION OF OPEX/TOTAL OPEX

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	68.4	76.1
CCA	0.0	76.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

N/EL – non-eligible

- (1) No Opex figures that may correspond to adaptation solutions – in accordance with Article 11 (1) (a) of EU taxonomy regulation – in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

## Additional information on electricity generation from nuclear and gas activities

The following figures are reported in accordance with the Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain en-

ergy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

### Template 1 – Nuclear and fossil gas related activities

#### Nuclear energy related activities

<b>1</b>	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
<b>2</b>	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
<b>3</b>	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

#### Fossil gas related activities

<b>4</b>	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
<b>5</b>	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
<b>6</b>	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

As shown in the table above, the only applicable activities for Enel concern the safe operation of existing nuclear plants and the operation of power generation plants using gaseous fossil fuels. The former activity is 100% non-eligible, while the latter is 100% eligible non-aligned. Accordingly, the following tables refer to templates 4 and 5

included in the annexes to the Complementary Delegated Act. The remaining templates included in that Delegated Act are not applicable to Enel's business model. Furthermore, the information only refers to the climate change mitigation objective, as it is the prevailing objective for the Group.

## Template 4 - Taxonomy-eligible but not taxonomy-aligned economic activities

### EBITDA (ordinary)

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	450	2.0
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	229	1.0
<b>Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>679</b>	<b>3.0</b>

### Turnover

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,984	3.0
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	984	1.0
<b>Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>3,968</b>	<b>4.0</b>

### Capex

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	269	1.9
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	146	1.0
<b>Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>415</b>	<b>2.9</b>

### Opex (ordinary)

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	86	6.8
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	11	0.9
<b>Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI</b>	<b>97</b>	<b>7.7</b>



## Template 5 - Taxonomy non-eligible economic activities

### EBITDA (ordinary)

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	511	2.3
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	7,681	35.0
<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>8,192</b>	<b>37.3</b>

### Turnover

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,455	1.5
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	59,667	60.8
<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>61,122</b>	<b>62.3</b>

### Capex

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	171	1.2
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,564	11.0
<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>1,735</b>	<b>12.2</b>

### Opex (ordinary)

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	80	6.3
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	223	17.6
<b>Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI</b>	<b>303</b>	<b>23.9</b>

# INDEPENDENT AUDITORS' REPORT

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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

## **Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018**

*To the board of directors of  
Enel S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5.2 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018 (the "regulation"), we have been engaged to perform the engagement specified below on the 2023 consolidated non-financial statement of Enel S.p.A. (the "parent") and its subsidiaries (together, the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 19 April 2024 (the "NFS"):

- a) a limited assurance engagement on the information included in the NFS other than that specified in point b) (the "information subjected to limited assurance");
- b) a reasonable assurance engagement on certain selected indicators (the "selected indicators") presented in the NFS, identified in the "Drafting and assurance" section of the NFS and set out in paragraph "B. Report on the information subjected to reasonable assurance" of the "Auditors' responsibility section" of this report (the "information subjected to reasonable assurance").

Our procedures did not cover the information set out in the "5.4 European Taxonomy" section of the NFS required by article 8 of Regulation (EU) 2020/852.

### ***Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") 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").

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.

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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) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. During the year covered by this engagement, our company applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### ***Auditors' responsibility***

#### ***A. Limited assurance report on the NFS***

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the information subjected to limited assurance 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 information subjected to limited assurance 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 information subjected to limited assurance are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information subjected to limited assurance, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following:

- 1 analysing the material aspects based on the group's business and characteristics disclosed in the information subjected to limited assurance, 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.



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- 3 comparing the financial disclosures presented in the information subjected to limited assurance with those included in the group's consolidated financial statements;
- 4 gaining an understanding of the following:
  - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
  - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
  - the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the information subjected to limited assurance presented in the NFS and carried out the procedures described in point 5.a).

- 5 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information subjected to limited assurance disclosed in the NFS.
  - Specifically, we held interviews and discussions with the parent's management personnel and personnel of Endesa S.A. and Enel Chile 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 information subjected to limited assurance.
  - Furthermore, with respect to the significant information subjected to limited assurance, 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;
    - we visited, including remotely, Endesa SA, Enel Chile SA 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 meet their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

#### ***B. Information subjected to reasonable assurance***

Our responsibility is to express an opinion, based on the procedures performed, about the compliance of the information subjected to reasonable assurance with the requirements of the Decree and the GRI Standards. We carried out our work in accordance with the criteria established by ISAE 3000 revised applicable to reasonable assurance engagements. This standard requires that we plan and perform the engagement to obtain reasonable assurance about whether the information subjected to reasonable assurance is free from material misstatement. A reasonable assurance engagement involves performing procedures to obtain evidence supporting the data and information subjected to such engagement. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the information subjected to reasonable assurance in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal controls.



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The selected indicators subjected to our reasonable assurance engagement are as follows:

1. Direct emissions Scope 1
2. Scope 2 emissions – market based
3. Scope 2 emissions – location based
4. Absolute Scope 3 GHG emissions relating to Gas Retail
5. Scope 1 GHG emissions Intensity relating to Power Ge-neration
6. Scope 1 and 3 GHG emissions Intensity relating to In-tegrated Power confirmed violations of the code of ethics by type, stakeholder and country;
7. No. of fatalities – Enel
8. No. of fatalities – Contractors
9. Lost Time Injury Frequency Rate with absence from work of more than 3 days – Enel
10. Lost Time Injury Frequency Rate with absence from work of more than 3 days – Contractors
11. Frequency rate of total injuries – Enel
12. Frequency rate of total injuries – Contractors
13. Percentage of female managers and middle managers
14. Percentage of women in the managerial succession and top managerial plans
15. Current Income Tax Rate
16. Confirmed violations of the Code of Ethics by type, stakeholder, country
17. SAIDI – System Average Interruption Duration Index
18. Commercial complaints on the Group level
19. Renewable Installed Capacity Percentage

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Conclusion and opinion***

As required by article 3.10 of the decree and article 5.2 of the regulation and based on the approaches referred to in the first paragraph hereof, we set out below our conclusion and opinion on the compliance of the information presented in the NFS with the requirements of articles 3 and 4 of the decree and the GRI Standards:

#### **“A. Conclusion on the information subjected to limited assurance”**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the information subjected to limited assurance presented in the 2023 NFS of the Enel Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.



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**“B. Opinion on the information subjected to reasonable assurance”**

In our opinion, the information subjected to reasonable assurance presented in 2023 NFS of the Enel Group, identified in the “Drafting and assurance” section of the NFS and in paragraph “B. Report on the information subjected to reasonable assurance” of this report has been prepared, in all material respects, in accordance with the GRI standards.

Our conclusion and opinion set out above do not cover the information set out in the “European Taxonomy” section of the NFS required by article 8 of Regulation (EU) 2020/852.

Rome, 19 April 2024

KPMG S.p.A.

(signed on the original)

Marco Maffei  
Director of Audit

# GREEN BOND REPORT 2023 – SUPPORTING NOTES

## Introduction and reporting criteria

Enel Finance International NV, the Group's financial company controlled by Enel SpA, placed three Green Bonds on the European market in January 2017 (1.25 billion euros), 2018 (1.25 billion euros) and 2019 (1 billion euros) for a total of 3.50 billion euros. Issued as part of Enel and Enel Finance International's Euro Medium-Term Note Programme (EMTN Programme), the Green Bonds are targeted at institutional investors and guaranteed by Enel SpA. The net proceeds of the issue were used to finance or refinance projects in the categories identified in line with the "Green Bond Principles" published by ICMA (International Capital Market Association). In particular, the proceeds were used to finance:

- new projects for the development, construction and re-powering of generation plants from renewable sources (Green Bond emission in 2017 and 2019);
- new projects for the development, construction, re-powering and refinancing of generation plants from renewable sources as well as projects for transmission, networks and smart grids (Green Bond emission in 2018).

In this regard, it should be noted that during 2023 it became necessary to reallocate proceeds totaling 229.60 million euros, following the Group's deconsolidation of three projects<sup>(1)</sup>: the reallocation took place to two renewable projects, Seven Cowboy (USA) for 174.22 million euros and Alta Farms II for 55.38 million euros<sup>(2)</sup>.

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 (now Moody's Investors Service), which 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<sup>(3)</sup>.

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 Enel 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 seventh time in 2023, meets Enel's commitment undertaken at the time of the bond issuance to report annually on the use of proceeds, on the environmental benefits deriving from the projects financed and on further ESG metrics linked to these projects.

The indicators were determined in accordance with the "Green Bond Framework" (December 2016, December 2017 and November 2018) principles and shown in the table based on the type of project and the specific year of emission of the Green Bonds. Furthermore, all of the plant technologies as well as Grids activities in Italy for which the proceeds of the Green Bonds issued in 2017, 2018 and 2019 were allocated are to be considered eligible and aligned activities according to European taxonomy (European Regulation 2020/852). In order to improve transparency and facilitate understanding of reporting over the years, the report also provides the following information:

- **2017 Green Bond reporting** with evidence of projects relating to renewable plants. Seven plants also contribute toward the allocation of the proceeds of the 2019 Green Bond following new investments (Capex) that were made;
- **2018 Green Bond reporting** with evidence of projects related to:
  - renewable plants, three of which contribute toward the allocation of the proceeds of the 2019 Green Bond due to new investments (Capex) that were made;
  - "refinancing" of renewable plants due to the replacement of previous credit lines;

(1) Cremzow (Germany) for -9.24 million euros on Green Bond 2018; Kafireas (Greece) for -63.50 million euros on Green Bond 2018 and -125.93 million euros on Green Bond 2019, for a total of -189.43 million euros; Cohuna (Australia) for -30.93 million euros on Green Bond 2019.

(2) Seven Cowboy (USA) for 72.74 million euros on Green Bond 2018; Seven Cowboy (USA) for 101.48 million euros and Alta Farms II (USA) for 55.38 million euros on Green Bond 2019, for a total of 156.86 million euros.

(3) SDG 7 "Affordable and clean energy"; SDG 9 "Industry, innovation and infrastructure"; SDG 11 "Sustainable cities and communities"; SDG 13 "Climate action".



- investment activities relating to the business area “Enel Grids”;
- **2019 Green Bond reporting** with evidence of the projects relating to renewable plants, 10 of which were also subject to reporting for the 2017 and 2018 Green Bonds, as described previously.

Finally, in agreement with what is required by the cited Green Bond Framework, this document consists of the following indicated below.

- **Summary table of 2017, 2018 and 2019 emissions** with indication of the installed capacity and the cumulative CO<sub>2</sub> avoided for all years of Green Bond reporting.
- **Table A “Financial indicators”**, which reports:
  - the capacity and amount of the “foreign currency investment” approved by the Board of Directors and/or the Investment Committee, and communicated to the financial market through specific press releases;
  - the value of the “investment in euros”, calculated by considering the average exchange rate for the years 2017-2019 (for projects defined in 2017), the average exchange rate for the years 2018-2020 (for projects defined in 2018) and/or the average exchange rate for the years 2019-2021 (for projects defined in 2019) of Enel’s Industrial Plan;
  - the share of the Green Bond proceeds allocated to the project as the difference between the total capitalized costs as at December 31, 2017, December 31, 2018 and/or December 31, 2019 and the amount of third-party financing associated to the specific project<sup>(4)</sup>. 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. In this regard, it should be noted that all of the plants associated with the three Green Bonds have entered into operation.
- **Table B “ESG indicators”** which shows the environmental benefit in terms of actual CO<sub>2</sub> avoided. In particular, with reference to:
  - renewable projects*:
    - the quantity of effective generation (with the excep-

- tion of the repowering plants whose share of generation cannot be separated from the rest of the plant);
- the quantity of actual CO<sub>2</sub> avoided determined by multiplying the effective generation by the emission factor linked to the specific thermoelectric power generation of the country in which the plant is located (emission factors source: Enerdata – February 22, 2024 release);
- the cumulative value of effective generation and the relative CO<sub>2</sub> avoided for the entire years of Green Bond reporting;

*Enel Grids 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 and collision for birds;
- network automation, which corresponds to the ratio between RCP (Remote Controlled Point) and medium/low-voltage equipment;
- technical network losses, mainly related to the characteristics/functions of the network. These losses are usually calculated using statistical models or benchmarks. A reduction in technical network losses results in a reduction in the energy to be generated and a consequent reduction in emissions and consumption of raw materials;
- the elimination of oil equipment with PCB reduces the risk of contamination of a compound no longer in production since the 1980s and classified as ecotoxic and bioaccumulable;
- energy savings are represented in terms of “energy saved” in MWh in place of the CO<sub>2</sub> avoided (t) to specifically report the improvement in efficiency obtained thanks to the use of so-called “in ecodesign” transformers and the optimization of MV grids as the difference between losses detected before and after these interventions.

(4) If the same company is involved with the implementation of several projects, the allocation of the Green Bond quota to the specific project was done using capacity as a driver.

- **Table C “Further ESG indicators”** which shows, where possible and appropriate<sup>(5)</sup>, as envisaged in the “second party opinion”<sup>(6)</sup>, the following indicators for the renewable projects:
  - water consumption related to data reported for the plants in only the period following their entry into operation (from the moment there are no plants financed by the Green Bonds with the “under construction” status);
  - projects for protecting biodiversity promoted by Enel in connection to the operation of the plant;
  - the cases in which the site stopped its operations (plant shutdown) due to environmental management issues and their impact;
  - fatalities or high consequence (“Life Changing”<sup>(7)</sup>) injuries to Enel people;
  - activities and projects carried out to support local communities in the areas surrounding the plant. The

indicator related to the number of beneficiaries of these projects refers to the people involved by such activity or project.

The above indicators in Table C, with the exception of water consumption and plant shutdown due to environmental issues, also refer to Enel Grids projects.

- **Table D “Overall information”** which provides the criteria, indicators, overall information and approach chosen by Enel to develop the projects financed through the proceeds of the bond.

The data have been thoroughly calculated on the basis of the results of Enel’s accounting, non-accounting and other information systems, and validated by the persons responsible in each case. The data determined through the use of estimates and related calculation method has been expressly indicated.

## SUMMARY TABLE OF 2017, 2018 AND 2019 EMISSIONS WITH INDICATION OF THE INSTALLED CAPACITY AND THE CO<sub>2</sub> AVOIDED

Green Bond (GB) emission	Area of investment	GB proceeds allocated (mil euros)	Installed capacity (MW)	Cumulative CO <sub>2</sub> avoided <sup>(1)</sup> (t)
<b>2017</b>	Renewables	<b>1,238</b>	<b>3,355</b>	<b>30,903,910</b>
<b>2018</b>		<b>1,240</b>	<b>2,004</b>	<b>12,884,324</b>
of which new renewable projects	Renewables	502	1,702	12,429,886
of which new Enel Grids projects	I&N	666	n.a.	-
of which new renewable projects identified in 2023	Renewables	73	302	454,438
<b>2019</b>		<b>986</b>	<b>1,099<sup>(2)</sup></b>	<b>3,818,618</b>
of which new projects identified in 2019	Renewables	33	597	3,601,219
of which new Capex for 2018 projects	Renewables	216	n.a.	-
of which new Capex for 2017 projects	Renewables	579	n.a.	-
of which new renewable projects identified in 2023	Renewables	157	502 <sup>(2)</sup>	217,399

- (1) For Enel Grids projects, energy savings are represented in terms of “Energy saved” (MWh) in place of the CO<sub>2</sub> avoided (t) to specifically report the improvement in efficiency obtained thanks to the use of so-called “in ecodesign” transformers and the optimization of MV grids as the difference between losses detected before and after these interventions. Cumulative energy saved to 2023 amounts to 9,818 MWh.
- (2) It should be noted that 302 MW are included and which refer to the installed capacity of the Seven Cowboy project, already included in the “new renewable projects identified in 2023” for the Green Bonds issued in 2018.

(5) Projects relating to renewable plants with a capacity of more than 20 MW are considered to be relevant.

(6) 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.

(7) These are injuries that caused consequences to health that permanently changed a person’s life (for example, amputation of limbs, paralysis, neurological damage, etc.).

Table A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Com- mercial operation date	Investment (value in currency)		GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2019 (mil euros) <sup>(2)</sup>	
						Currency	Value in currency (mil)			Equivalent in euro (mil) <sup>(1)</sup>
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	49	48	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 <sup>(3)</sup>	Geothermal/ Hydroelectric	In Operation	34	-	EUR	113	113	66	-
CANADA	Riverview	Wind	In Operation	105	Apr-20	CAD			8	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29	Mar-20	CAD	210	187	2	23
MEXICO	Magdalena 2	Solar	In Operation	220	Sep-19	USD	165	136	9	112
MEXICO	Amistad II	Wind	In Operation	100	Dec-19	USD	115	97	22	55
MEXICO	Amistad III	Wind	In Operation	108	Feb-20	USD			11	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	305	269	18	57
MEXICO	Dolores	Wind	In Operation	274	May-20	USD	290	255	36	192
PANAMA	Estrella Solar	Solar	In Operation	8	Aug-18	USD	8	7	5	-
ZAMBIA	Ngonye	Solar	In Operation	34	Mar-19	USD	40	34	10	-
ITALY	Various projects <sup>(4)</sup>	Geothermal/ Hydroelectric		8	-	EUR	43	43	14	-
<b>TOTAL</b>									<b>1,238</b>	<b>579</b>

(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 the exchange rate is 1.19 USD/EUR and for projects allocated in 2019 the exchange rate is 1.21. For projects whose investment value was updated, the average annual rate of the year in which the project came into operation was used.

(2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 Green Bond, for which new capitalized costs emerged.

(3) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

(4) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

Table B – ESG indicators

Country	Project name	2023 generation (GWh)	CO <sub>2</sub> avoided 2023 (t)	2017-2023 generation (GWh)	CO <sub>2</sub> avoided 2017-2023 (t)
USA	Red Dirt	829	503,216	5,976	3,757,070
USA	Thunder Ranch	981	595,382	6,191	3,900,802
USA	Hilltopper	564	342,516	2,890	1,788,059
USA	Stillwater Solar II	33	19,736	129	81,640
USA	Woods Hill	27	16,682	162	101,236
USA	Rattlesnake Creek	958	581,148	5,477	3,383,196
USA	Rock Creek	1,022	620,332	6,566	4,124,526
BRAZIL	Horizonte MP	180	109,997	961	551,990
BRAZIL	Delfina	794	486,512	5,202	2,966,182
CHILE	Cerro Pabellón	265	182,816	1,488	1,122,070
CHILE	Sierra Gorda	291	200,702	2,347	1,775,036
PERU	Wayra	480	208,714	3,385	1,633,652
PERU	Rubi	439	190,939	2,613	1,258,101
ITALY	Various projects <sup>(1)</sup>	-	-	582	278,954
CANADA	Riverview	340	197,660	1,263	801,957
CANADA	Castel Rock Ridge 2	93	53,905	372	236,938
MEXICO	Magdalena 2	516	261,965	2,016	1,099,359
MEXICO	Amistad II	-	-	192	103,391
MEXICO	Amistad III	-	-	168	90,060
MEXICO	Amistad IV	-	-	128	69,730
MEXICO	Dolores	748	379,793	2,666	1,449,436
PANAMA	Estrella Solar	11	7,946	51	39,316
ZAMBIA	Ngonye	60	68,528	270	285,075
ITALY	Various projects <sup>(2)</sup>	-	-	12	6,136

(1) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of generation for only repowering cannot be separated from the rest of the plant because it is not possible to precisely determine the share of energy fed to the network only due to the increase in power.

(2) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of generation for only repowering cannot be separated from the rest of the plant because it is not possible to precisely determine the share of energy fed to the network only due to the increase in power.

Table C – Further ESG indicators

Country	Project name	Water consumption m <sup>3</sup> (1)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and "Life Changing") (no.)	Social projects (no.)	Beneficiaries of social projects (no.)
USA	Red Dirt	-	-	-	-	4	436
USA	Thunder Ranch	-	-	-	-	3	64
USA	Hilltopper	-	-	-	-	1	500
USA	Stillwater Solar II	-	-	-	-	-	-
USA	Woods Hill	-	-	-	-	-	-
USA	Rattlesnake Creek	-	-	-	-	1	100
USA	Rock Creek	-	-	-	-	2	36
BRAZIL	Horizonte MP	222	2	-	-	5	318
BRAZIL	Delfina	-	1	-	-	6	2,245
CHILE	Cerro Pabellón	-	-	-	-	1	636
CHILE	Sierra Gorda	-	1	-	-	1	8
PERU	Wayra	-	3	-	-	4	1,579
PERU	Rubi	-	-	-	-	3	2,340
ITALY	Various projects <sup>(2)</sup>	-	-	-	-	1	4
CANADA	Riverview	-	-	-	-	2	60
CANADA	Castel Rock Ridge 2	-	-	-	-	-	-
MEXICO	Magdalena 2	1,020	2	-	-	5	358
MEXICO	Amistad II	-	-	-	-	5	203
MEXICO	Amistad III	-	-	-	-	5	219
MEXICO	Amistad IV	-	-	-	-	5	329
MEXICO	Dolores	-	2	-	-	3	163
PANAMA	Estrella Solar	40	-	-	-	3	110
ZAMBIA	Ngonye	252	-	-	-	2	1,100
ITALY	Various projects <sup>(3)</sup>	-	-	-	-	1	1

(1) Industrial water consumption related to water extraction data for plant.

(2) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

(3) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric

Table A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Com-mercial operation date	Investment (value in currency)		GB proceeds allocated in 2018 (mil euros)	GB proceeds allocated in 2019 (mil euros) <sup>(2)</sup>	
						Currency	Value in currency (mil)			Equivalent in euro (mil) <sup>(1)</sup>
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	500	Dec-19	USD	720	595	81	75
USA	Roadrunner	Solar	In Operation	497	Jun-20	USD	436	366	30	141
USA	Seven Cowboy	Wind	In Operation	302	Oct-22	EUR	427	405	73	101
COLOMBIA	El Paso	Solar	In Operation	86	Oct-19	USD	70	59	54	-
USA	Aurora	Solar	In Operation	150	Jun-17	USD	290	244	181	-
USA	Little Elk	Wind	In Operation	74	Dec-15	USD	130	107	5	-
USA	Chisholm View II	Wind	In Operation	65	Dec-16	USD	90	76	29	-
<b>TOTAL</b>									<b>575</b>	<b>317</b>

(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 the exchange rate is 1.19 USD/EUR and for projects allocated in 2019 the exchange rate is 1.21. For projects whose investment value was updated, the average annual rate of the year in which the project came into operation was used.

(2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 Green Bond, for which new capitalized costs emerged.

Table B – ESG indicators

Country	Project name	2023 generation (GWh)	CO <sub>2</sub> avoided 2023 (t)	2018–2023 generation (GWh)	CO <sub>2</sub> avoided 2018–2023 (t)
USA	Diamond Vista	1,102	668,613	5,775	3,566,550
USA	Fenner Repowering <sup>(1)</sup>	70	42,651	318	193,691
USA	High Lonesome I+II	1,046	635,031	5,090	3,088,777
USA	Roadrunner	1,011	613,287	3,858	2,342,918
USA	Seven Cowboy	749	454,438	749	454,438
COLOMBIA	El Paso	152	89,718	567	414,599
USA	Aurora	198	120,178	1,237	774,455
USA	Little Elk	310	188,246	1,936	1,216,369
USA	Chisholm View II	206	124,809	1,326	832,527

(1) Unlike other repowering plants, the service life of the Fenner plant was extended and its capacity (MW) was not increased, therefore the capacity and generation data refer to the plant in its entirety.

Table C – Further ESG indicators

Country	Project name	Water consumption m <sup>3(1)</sup>	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and “Life Changing”) (no.)	Social projects (no.)	Beneficiaries of social projects (no.)
USA	Diamond Vista	-	-	-	-	2	40
USA	Fenner Repowering	-	-	-	-	3	310
USA	High Lonesome I+II	-	-	-	-	1	150
USA	Roadrunner	-	-	-	-	3	154
USA	Seven Cowboy	-	-	-	-	3	475
COLOMBIA	El Paso	-	2	-	-	1	3,420
USA	Aurora	-	-	-	-	4	298
USA	Little Elk	-	-	-	-	2	375
USA	Chisholm View II	-	-	-	-	2	16

(1) Industrial water consumption related to water extraction data for plant.

Table A – Financial indicators

Country	Project cluster	Cluster	Status	Investments in currency (mil)	Green Bond proceeds allocated to the project in 2018 (mil euros)
ITALY	Smart meter	Asset Development	(1)	-	46
ITALY	Smart grid	Asset Development	(2)	-	21
ITALY	Quality&Efficiency	Asset Development	(2)	-	305
ITALY	Other ICT Investment	Asset Development	(2)	-	52
<b>Total Asset Development</b>				<b>824</b>	<b>424</b>
ITALY	Maintenance	Asset Management	(2)	-	242
<b>Total Asset Management</b>				<b>452</b>	<b>242</b>
<b>Total Asset Development and Asset Management Country Italy</b>				<b>1,276</b>	<b>666</b>

(1) As at December 31, 2018 the final figures of the project consisted of approximately 420 million euros of meters and concentrators entered into operation in the same month as the installation and about 26 million euros for the central remote management system and related software.

(2) The final figures are composed of a very large number of interventions that include activities started in previous years and concluded in the current year, activities started in the current year and concluded in the same year and activities started in the year and not yet completed at December 31, 2018.

Table B – ESG indicators

COUNTRY - ITALY	Cabling (%)	Network automation (%)	Oil equipment with PCB removed (no.)	End users with active smart meters (mil)	Renewable generation units connected to network (no.)	New "users" connected to network (no.)	Technical network losses (%)	Energy saved (MWh) <sup>(1)</sup>
<b>Total Asset Development</b>	-	-	-	32	1,520,510	360,873	-	6,855
<b>Total Asset Management</b>	76	39	167	-	-	-	4	

(1) For Enel Grids projects, energy savings are represented in terms of "energy saved" in MWh in place of the CO<sub>2</sub> avoided (t) to specifically report the improvement in efficiency obtained thanks to the use of so-called "in ecodesign" transformers and the optimization of MV grids as the difference between losses detected before and after these interventions.

Table C – Further ESG indicators

Country	Injuries (fatalities and "Life Changing") (no.)	Social projects (no.)	Beneficiaries of social projects (no.)	Biodiversity projects (no.)
ITALY	-	166	30,783	9



TABLE A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Com-mercial operation date	Investments (value in currency)			GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2018 (mil euros)	GB proceeds allocated in 2019 (mil euros) <sup>(2)</sup>
						Currency	Value in currency (mil)	Equivalent in euro (mil) <sup>(1)</sup>			
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	281	248	-	-	4
USA	Alta Farms II	Wind	In Operation	201	Dec-22	USD	362	343	-	-	55
ITALY	Various projects <sup>(3)</sup>	Hydroelectric	In Operation	33	-	EUR	55	55	-	-	10
CANADA	Riverview	Wind	In Operation	105	Apr-20	CAD			8	-	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29	Mar-20	CAD	210	187	2	-	23
MEXICO	Magdalena 2	Solar	In Operation	220	Sep-19	USD	165	136	9	-	112
MEXICO	Amistad II	Wind	In Operation	100	Dec-19	USD	115	97	22	-	55
MEXICO	Amistad III	Wind	In Operation	108	Feb-20	USD			11	-	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	305	269	17	-	57
MEXICO	Dolores	Wind	In Operation	274	May-20	USD	290	255	36	-	192
USA	High Lonesome I+II	Wind	In Operation	500	Dec-19	USD	720	595	-	81	75
USA	Roadrunner	Solar	In Operation	497	Jun-20	USD	436	366	-	30	141
USA	Seven Cowboy	Wind	In Operation	302	Oct-22	USD	427	405	-	73	101
<b>TOTAL</b>									<b>104</b>	<b>184</b>	<b>986</b>

- (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 the exchange rate is 1.19 USD/EUR and for projects allocated in 2019 the exchange rate is 1.21. For projects whose investment value was updated, the average annual rate of the year in which the project came into operation was used.
- (2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 Green Bond, for which new capitalized costs emerged.
- (3) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table B – ESG indicators

Country	Project name <sup>(1)</sup>	2023 generation (GWh)	CO <sub>2</sub> avoided 2023 (t)	2019–2023 generation (GWh)	CO <sub>2</sub> avoided 2019–2023 (t)
USA	Whitney Hill	175	106,059	776	471,346
USA	Aurora Wind	946	574,196	2,861	1,734,123
USA	Cimarron Bend 3 phase I	696	422,175	2,312	1,395,750
USA	Alta Farms II	358	217,399	358	217,399
ITALY	Various projects <sup>(2)</sup>	-	-	-	-

- (1) For projects for which new Capex were allocated in 2019, in addition to what was allocated in the 2017 and 2018 Green Bond, for the ESG indicators refer to the 2017 and 2018 tables.
- (2) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric. The share of generation for only repowering cannot be separated from the rest of the plant because it is not possible to precisely determine the share of energy fed to the network only due to the increase in power.

Table C – Further ESG indicators

Country	Project name <sup>(1)</sup>	Water consumption m <sup>3</sup> <sup>(2)</sup>	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and “Life Changing”) (no.)	Social projects (no.)	Beneficiaries of social projects (no.)
USA	Whitney Hill	-	-	-	-	-	-
USA	Aurora Wind	-	-	-	-	-	-
USA	Cimarron Bend 3 phase I	-	-	-	-	1	4
USA	Alta farms II	-	1	-	-	-	-
ITALY	Various projects <sup>(3)</sup>	-	-	-	-	3	3,018

(1) For projects for which new Capex were allocated in 2019, in addition to what was allocated in the 2017 and 2018 Green Bond, for the ESG indicators refer to the 2017 and 2018 tables.

(2) Industrial water consumption related to water extraction data for plant.

(3) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

## Table D – Overall information

CRITERION	INDICATOR	GB 2023 DATA/APPROACH
<b>Respect for human rights standards and prevention of breaches</b>	Number and description of the reports identified through the Enel monitoring system	Four reports were received for alleged violations of the principle of respect for diversity and non-discrimination, three of which were concluded as non-violations and one of which is under analysis.
	Results of risk analysis on human rights at country level	<p>The country-level risk analysis conducted in the Group's areas of presence in 2023 showed that:</p> <ul style="list-style-type: none"> <li>risks related to issues of corruption, environment, diversity and non-discrimination, community relations and privacy were among the most salient issues ("to be monitored")<sup>(1)</sup>;</li> <li>risks related to labor practices (freedom of association and collective bargaining, rejection of forced labor and child labor, fair and favorable working conditions, health, safety and well-being at work) and potential impacts from customer-facing communication activities were found to be among the lowest risk level ("acceptable" level)<sup>(1)</sup>.</li> </ul> <p>These results, together with the findings from the identification of potential gaps, showed that the safeguards included in the management system in place to mitigate potential impacts are robust<sup>(2)</sup> and adequately manage the main topics identified, which, according to the definitions of the classification included in the UN Guiding Principles, means that the management system for the main topics is effective.</p>
<b>Respect for labor rights</b>	Number and description of the reports identified through the Enel monitoring system	No reports regarding projects financed with proceeds from the GB.
	Results of risk analysis on human rights at country level	<p>The country-level risk analysis conducted in the Group's areas of presence in 2023 showed that the risks related to labor practices (freedom of association and collective bargaining, rejection of forced labor and child labor, fair and favorable working conditions, health, safety and well-being in the workplace) have a minimum risk level ("acceptable" level)<sup>(1)</sup>.</p> <p>These results, together with the findings from the identification of potential gaps, showed that the safeguards included in the management system in place to mitigate potential impacts are robust<sup>(2)</sup> and adequately manage the main topics identified, which, according to the definitions of the classification included in the UN Guiding Principles, means that the management system for the main topics is effective.</p>
<b>Working conditions (employment relationships, training, health and safety conditions, respect for working hours)</b>	Number and description of the reports identified through the Enel monitoring system	A report was received on a supplier's failure to report an injury, which turned out to be unfounded and therefore concluded as a non-violation.
	Number of injuries (fatalities and "Life Changing")	No fatalities or "Life Changing" injury involving Enel people was recorded for projects financed with proceeds from the GB.
<b>Integration of environmental and social factors into the supply chain – Responsible purchasing</b>	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.
<b>Business ethics (prevention of corruption and money laundering, fraud, anticompetitive practices)</b>	Number and description of the reports identified through the Enel monitoring system	There are no significant events to report relating to projects financed with GB proceeds.
<b>Audit and internal control</b>	% of area/country processes covered by internal audit activities	The average annual coverage level of the processes through internal audit activities is around 40%.

(1) Reference scale of risks: 1. High risk; 2. High priority risk; 3. Risk to be monitored; 4. Acceptable risk (minimum level).

(2) Reference scale of performance values: Robust (75%-100%); Good (50%-74%); Sufficient (25%-49%); Needs improvement (0%-24%).



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**(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## Independent auditors' report on the Green Bond Report

*To the board of directors of  
Enel S.p.A.*

We have been engaged to perform a limited assurance engagement on the 2023 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 2023 sustainability report.

### **Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the Report**

The directors are responsible for the preparation of the report in accordance with the 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 Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Auditors' responsibility**

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the report with the frameworks described in the "Introduction and reporting criteria" note to the report. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to

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**Enel Group**

*Independent auditors' report*

*31 December 2023*

obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 obtaining and reading the second party opinion;
- 2 interviewing relevant staff at corporate and business level responsible for the 2023 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 2023 Green Bond Report of Enel S.p.A. has not been prepared, in all material respects, in accordance with the frameworks described in the "Introduction and reporting criteria" note to the report.

### **Other matters**

Other auditors performed a limited assurance engagement on the 2017, 2018 and 2019 figures presented in the 2023 Green Bond Report and expressed their unqualified conclusions on 10 May 2018, 7 May 2019 and 8 April 2020, respectively.

Rome, 19 April 2024

KPMG S.p.A.

(signed on the original)

Marco Maffei  
Director of Audit

# SUSTAINABILITY-LINKED FINANCING REPORT

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## 1. Introduction

In line with the Sustainability-Linked Financing Framework published by Enel on its website<sup>(1)</sup>, Enel issues and executes financial instruments linked to predetermined Sustainability Performance Targets (SPTs).

Enel and/or its subsidiaries issue Sustainability-Linked bonds, SDG Commercial Papers and underwrite Sustainability-Linked loans, Sustainability-Linked exchange rates derivatives and Sustainability-Linked guarantees linked to

SPTs related to five KPIs, which contribute to SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all) and SDG 13 (Take urgent action to combat climate change and its impacts), as well as the environmental targets defined by the European Union in the EU taxonomy regulation, with particular attention to the climate mitigation goal.

### KPIs and Sustainability Performance Targets (SPT) summary

KPI	Actual values		Sustainability Performance Targets (SPT)				
	2023	2023	2024	2025	2026	2030	2040
<b>KPI #1</b> Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	160	148	140	130	125	72	0
<b>KPI #2</b> Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO <sub>2eq</sub> /kWh)	168			135	135	73	0
<b>KPI #3</b> Absolute Scope 3 GHG emissions relating to Gas Retail (MtCO <sub>2eq</sub> )	16.8			20.9	20.0	11.4	0
<b>KPI #4</b> Renewable Installed Capacity Percentage (%)	68.2%	65%	69%	73%	74%	80%	100%
<b>KPI #5</b> Proportion of Capex aligned to the EU taxonomy (%)	84.8%			>80% (2023-2025) <sup>(2)</sup>	>80% (2024-2026) <sup>(3)</sup>		

(1) Enel - Sustainability-Linked Financing Framework - February 2024.

(2) SPT con periodo di osservazione cumulato 2023-2025.

(3) SPT con periodo di osservazione cumulato 2024-2026.

Worldwide greenhouse gas (GHG) emissions continued to increase in 2023, largely due to the economic rebound and a further increase in fossil fuel consumption, with the energy crisis and high natural gas and liquefied natural gas prices triggering an increased use of unabated coal as a cheaper but more emissive fuel.

The Group, however, managed to reduce its direct and indirect GHG emissions across its entire value chain by 26.3% overall, compared to the previous year. In addition, the Group also reduced its Scope 1 GHG emissions Intensity relating to Power Generation by more than 30.1%, from 229 gCO<sub>2eq</sub>/kWh in 2022 down to 160 gCO<sub>2eq</sub>/kWh in 2023. Such reduction was the result of a 12.9% increase of consolidated renewables production and a 37.5% reduction of consolidated thermoelectric production, compared to 2022, as consequence of the Group's strategy of shifting its energy mix portfolio towards renewables and advancing in its decarbonization process.

Nevertheless, the war in Ukraine and the consequent restrictions in EU gas imports from Russia, which caused a decrease in gas availability accompanied by a surge in the wholesale prices of electricity and gas with severe effects for households and businesses, led the EU governments to implement a range of policy responses to mitigate the impact of higher costs and ensure the energy system's stability. In particular, the Italian government responded with a national natural gas consumption containment plan that included, among its measures, the maximization of electricity production in the thermoelectric sector using fuels other than gas. This was achieved through the Decree 14/2022 that required the country's national transmission system operator (TSO) to define a program aimed at maximizing power generation from coal-fired power plants until the end of September 2023. Consequently, the TSO identified Enel's coal-fired power plants as essential and required them to maximize their production.

On the other hand, in Spain, the government authorization for the closure of As Pontes coal power plant requested by Enel's subsidiary Endesa in December 2019 for June 2021 was postponed until the end of 2023 as the power plant was

identified as essential by the transmission system operator. As a consequence of the unprecedented crisis that the European energy system faced in 2022 and 2023, the Group's emission reduction carried out in 2023 was not enough to meet the Scope 1 GHG emissions Intensity relating to Power Generation target set for 2023 and announced at the Capital Markets Day held in November 2020 for the launch of the 2021-2023 Strategic Plan. Due to the energy crisis, the intensity figure stood slightly higher than the target of 148 gCO<sub>2eq</sub>/kWh. In absence of the above-mentioned effect, Enel would have been able to achieve an intensity emission level well below the 148 gCO<sub>2eq</sub>/kWh target.

As a consequence, the Group's Sustainability-Linked instruments which set the Scope 1 Power Generation Intensity target of 148 gCO<sub>2eq</sub>/kWh for 2023 will be subject to an increase of the relevant margin and Enel will comply with its obligations in accordance with the terms and conditions of the legal documentation of such Sustainability-Linked transactions.

Despite these unprecedented circumstances, the Group's emissions intensity in 2023 remained aligned with the 1.5 °C pathway. In fact, the sector's decarbonization approach of the SBTi established a maximum threshold of 246 gCO<sub>2eq</sub>/kWh for Enel for 2023, well above the actual figure.

Ultimately, Enel's decarbonization commitment remains confirmed for both the short, medium and long term, as envisaged in the new 2024-2026 Strategic plan, which establishes a new short-term target for 2026 of 125 gCO<sub>2eq</sub>/kWh. This new target has been included in the Sustainability-Linked Financing Framework updated in January 2024 and linked to the first launch of Sustainability-Linked bonds in 2024, confirming Enel's commitment towards the energy transition as well as contributing to the environmental and financial sustainability of the Group's development strategy. Furthermore, the target for 2030 to reduce 80% of the GHG scope 1 intensity from power generation with respect to 2017 baseline and the final target for 2040 aimed at reducing 100% of these emissions without relying on any type of offset or carbon removal mechanism remain confirmed as well.

## 2. List of outstanding Sustainability-Linked bonds issued by Enel


ISIN	Issuer	Issuance date	Amount issued	Amount outstanding	Maturity	KPI	SPT	Date or period of reference	Achievement of goals
US29278GAL23	Enel Finance International NV ("EFI")	10/09/2019	1,500,000,000 \$	1,500,000,000 \$	10/09/2024	Renewable Installed Capacity Percentage (%)	55%	2021	
XS2066706818	EFI	17/10/2019	1,000,000,000 €	1,000,000,000 €	17/06/2024	Renewable Installed Capacity Percentage (%)	55%	2021	
XS2066706909	EFI	17/10/2019	1,000,000,000 €	1,000,000,000 €	17/06/2027	Renewable Installed Capacity Percentage (%)	55%	2021	
XS2066706735	EFI	17/10/2019	500,000,000 €	500,000,000 €	17/10/2034	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	125 gCO <sub>2eq</sub> /kWh	2030	
XS2244418609	EFI	20/10/2020	500,000,000 £	500,000,000 £	20/10/2027	Renewable Installed Capacity Percentage (%)	60%	2022	
XS2353182020	EFI	17/06/2021	1,000,000,000 €	1,000,000,000 €	17/06/2027	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
XS2353182293	EFI	17/06/2021	1,250,000,000 €	1,250,000,000 €	17/06/2030	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
XS2353182376	EFI	17/06/2021	1,000,000,000 €	1,000,000,000 €	17/06/2036	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
US29278GAM06	EFI	12/07/2021	1,250,000,000 \$	1,250,000,000 \$	12/07/2026	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
US29278GAN88	EFI	12/07/2021	1,000,000,000 \$	1,000,000,000 \$	12/07/2028	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
US29278GAP37	EFI	12/07/2021	1,000,000,000 \$	1,000,000,000 \$	12/07/2031	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	

 Achieved  Not in line




ISIN	Issuer	Issuance date	Amount issued	Amount outstanding	Maturity	KPI	SPT	Date or period of reference	Achievement of goals
US29280HAB87	Enel Finance America, LLC ("EFA")	12/07/2021	750,000,000 \$	750,000,000 \$	12/07/2041	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
XS2390400633	EFI	28/09/2021	1,250,000,000 €	1,250,000,000 €	28/05/2026	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
XS2390400716	EFI	28/09/2021	1,000,000,000 €	1,000,000,000 €	28/05/2029	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
XS2390400807	EFI	28/09/2021	1,250,000,000 €	1,250,000,000 €	28/09/2034	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
XS2432293673	EFI	17/01/2022	1,250,000,000 €	1,250,000,000 €	17/11/2025	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
XS2432293756	EFI	17/01/2022	750,000,000 €	750,000,000 €	17/01/2031	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	140 gCO <sub>2eq</sub> /kWh	2024	
XS2432293913	EFI	17/01/2022	750,000,000 €	750,000,000 €	17/01/2035	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
XS2466363202	EFI	11/04/2022	750,000,000 £	750,000,000 £	11/04/2029	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	140 gCO <sub>2eq</sub> /kWh	2024	
USN30707AN87	EFI	15/06/2022	750,000,000 \$	750,000,000 \$	15/06/2025	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
US29278GAW87	EFI	15/06/2022	750,000,000 \$	750,000,000 \$	15/06/2027	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	140 gCO <sub>2eq</sub> /kWh	2024	

 Achieved

 Not in line


ISIN	Issuer	Issuance date	Amount issued	Amount outstanding	Maturity	KPI	SPT	Date or period of reference	Achievement of goals
US29278GAX60	EFI	15/06/2022	1,000,000,000 \$	1,000,000,000 \$	15/06/2032	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
US29278GAY44	EFI	15/06/2022	1,000,000,000 \$	1,000,000,000 \$	15/06/2052	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	0 gCO <sub>2eq</sub> /kWh	2040	
XS2531420656	EFI	09/09/2022	1,000,000,000 €	1,000,000,000 €	09/03/2029	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	140 gCO <sub>2eq</sub> /kWh	2024	
US29278GAZ19	EFI	14/10/2022	750,000,000 \$	750,000,000 \$	14/10/2025	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	148 gCO <sub>2eq</sub> /kWh	2023	
US29280HAA05	EFA	14/10/2022	1,000,000,000 \$	1,000,000,000 \$	14/10/2027	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	140 gCO <sub>2eq</sub> /kWh	2024	
US29278GBA58	EFI	14/10/2022	1,250,000,000 \$	1,250,000,000 \$	14/10/2032	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	82 gCO <sub>2eq</sub> /kWh	2030	
US29278GBB32	EFI	14/10/2022	1,000,000,000 \$	1,000,000,000 \$	14/10/2052	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	0 gCO <sub>2eq</sub> /kWh	2040	
XS2589260723	EFI	20/02/2023	750,000,000 €	750,000,000 €	20/02/2031	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	130 gCO <sub>2eq</sub> /kWh	2025	
						Proportion of Capex aligned to the EU taxonomy (%)	>80%	2023-2025	
XS2589260996	EFI	20/02/2023	750,000,000 €	750,000,000 €	20/02/2043	Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO <sub>2eq</sub> /kWh)	0 gCO <sub>2eq</sub> /kWh	2040	
						Absolute Scope 3 GHG emissions relating to Gas Retail (MtCO <sub>2eq</sub> )	0 MtCO <sub>2eq</sub>	2040	

 Achieved

 Not in line

ISIN	Issuer	Issuance date	Amount issued	Amount outstanding	Maturity	KPI	SPT	Date or period of reference	Achievement of goals
XS2751666426	EFI	23/01/2024	750,000,000 €	750,000,000 €	23/07/2028	Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh)	125 gCO <sub>2eq</sub> /kWh	2026	
						Proportion of Capex aligned to the EU taxonomy (%)	>80%	2024-2026	
XS2751666699	EFI	23/01/2024	1,000,000,000 €	1,000,000,000 €	23/01/2035	Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO <sub>2eq</sub> /kWh)	72 gCO <sub>2eq</sub> /kWh	2030	
						Renewable Installed Capacity Percentage (%)	80%	2030	
<b>Total</b>			<b>29,468,331,875 €</b> <sup>(4)</sup>	<b>29,468,331,875 €</b> <sup>(5)</sup>					

 Achieved


 Not in line

(4) Calculated with the following exchange rates: EUR/USD FX and EUR/GBP FX at December 29, 2023.

(5) Calculated with the following exchange rates: EUR/USD FX and EUR/GBP FX at December 29, 2023.

## 3. Enel's KPI performance

### a. KPI #1: Scope 1 GHG emissions Intensity relating to Power Generation (gCO<sub>2eq</sub>/kWh)

KPI #1: Scope 1 GHG emissions Intensity relating to Power Generation (gCO <sub>2eq</sub> /kWh) <sup>(6)</sup>	
Group Scope 1 greenhouse gas emissions (GHG) intensity (gCO <sub>2eq</sub> /kWh)	
<ul style="list-style-type: none"> <li>• <b>Definition/Methodology:</b> Group Scope 1 greenhouse gas emissions (including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) from power generation and measured in grams of CO<sub>2eq</sub> per kWh, as defined and detailed in the documentation for Sustainability-Linked transactions and in line with the GHG Protocol<sup>(7)</sup>.</li> <li>• <b>Rationale:</b> the KPI measures Enel's performance with respect to the decarbonization strategy of its energy generation mix, which will be fully reached by 2040, while mitigating at the same time the direct emissions from its most relevant Scope 1 source, which represents 95% of total Scope 1 emissions in 2023.</li> <li>• <b>Materiality:</b> in 2023, KPI #1 Scope 1 GHG emissions Intensity relating to Power Generation represents 34.7% of Enel's total carbon footprint and is equivalent to 32.7 MtCO<sub>2eq</sub>.</li> <li>• <b>Intermediate and long-term goals:</b> since 2015 Enel has defined a series of goals for reducing the direct greenhouse gas emissions deriving from its energy generation activities, increasing the level of ambition in every update made to align it with the most ambitious climatic scenario available. Also in 2015, Enel defined its first science-based target aligned with the scenario "well below 2 degrees", targeted toward reducing the carbon intensity 25% as compared to 2007 (reaching 350 gCO<sub>2eq</sub>/kWh). In 2019, Enel, having reached the 2020 goal a year in advance, announced a new science-based objective for 2030 aligned with the "well below 2 degrees" scenario, increasing the percentage of emissions reduction from 70% to 80% as compared to 2017 (from 125 gCO<sub>2eq</sub>/kWh to 82 gCO<sub>2eq</sub>/kWh), now aligned with the 1.5 °C scenario. In 2021, Enel announced that it had brought forward the target for full decarbonization by 10 years, from 2050 to 2040. This goal was certified by SBTi in 2022 together with the update to the 2030 goal, which decreased from 82 gCO<sub>2eq</sub>/kWh to 72 gCO<sub>2eq</sub>/kWh, which also increased the level of ambition in this case. Since 2020, Enel has also defined annual short-term goals to make its pathway toward full decarbonization more visible. These goals were set in different updates of the Strategic Plan and have the following thresholds: 148 gCO<sub>2eq</sub>/kWh at 2023, 140 gCO<sub>2eq</sub>/kWh at 2024, 130 gCO<sub>2eq</sub>/kWh at 2025 e 125 gCO<sub>2eq</sub>/kWh at 2026.</li> <li>• <b>Contribution to the EU environmental goal:</b> Climate Change Mitigation.</li> <li>• <b>Contribution to the UN sustainable development goals:</b> SDG 13: Take urgent action to combat climate change and its impacts.</li> </ul>	

#### Enel's KPI #1 and relative SPT performance

	2021 (actual)	2022 (actual)	2023 (actual)	2024 (target)	2025 (target)	2026 (target)	2030 (target)	2040 (target)
<b>KPI #1 Performance</b>	225	229	160	140	130	125	72	0
<b>Gap vs 2023</b>	77	81						
<b>Gap vs 2024</b>	85	89	20					
<b>Gap vs 2025</b>	95	99	30	10				
<b>Gap vs 2026</b>	100	104	35	15	5			
<b>Gap vs 2030</b>	153	157	88	68	58	53		
<b>Gap vs 2040</b>	225	229	160	140	130	125	72	

(6) In the previous versions of Enel's Sustainability-Linked Financing Framework and in the documentation for the financial instruments issued in compliance with these versions, KPI #1 "Scope 1 GHG emissions Intensity relating to Power Generation (gCO<sub>2eq</sub>/kWh)" was defined as "Direct Greenhouse Gas Emissions (Scope 1) (gCO<sub>2eq</sub>/kWh)".

(7) The GHG Protocol provides the greenhouse gas accounting standards (<https://ghgprotocol.org/>).

## b. KPI #2: Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO<sub>2eq</sub>/kWh)



### KPI #2: Scope 1 and 3 GHG emissions Intensity relating to Integrated Power (gCO<sub>2eq</sub>/kWh)

Group's combined greenhouse gas emissions, Scope 1 (including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) deriving from power generation and Scope 3 deriving from the generation of electricity purchased and sold to end customers, measured in grams of CO<sub>2eq</sub> per kWh.

- **Definition/Methodology:** metric calculated as the combination of Group Scope 1 greenhouse gas emissions (including CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O) (measured in gCO<sub>2eq</sub>) and Group Scope 3 greenhouse gas emissions deriving from the generation of electricity purchased and sold to end customers (measured in gCO<sub>2eq</sub>) (which represents an element of subcategory "3-Fuels and activities connected to power" of the "GHG Protocol-Scope 3 standard"), divided into power generation (measured in kWh) and purchased electricity (measured in kWh). The methodology is defined and detailed in the documentation for pertinent Sustainability-Linked transactions and in line with the GHG Protocol.
- **Rationale:** KPI #2 covers all electricity sold by Enel to its end customers, obtained both from Enel's own generation and from electricity purchased from third parties.
- **Materiality:** in 2023, KPI #2 Scope 1 and 3 GHG emissions Intensity relating to Integrated Power represented 60.2% of Enel's total carbon footprint, equivalent to 56.7 MtCO<sub>2eq</sub>, of which Group Scope 1 CO<sub>2eq</sub> emissions from power generation represented 34.7%, equivalent to 32.7 MtCO<sub>2eq</sub>, and Group Scope 3 CO<sub>2</sub> emissions from the generation of electricity purchased and sold to end customers represented 25.4%, equivalent to 24.0 MtCO<sub>2eq</sub>.
- **Intermediate and long-term goals:** in November 2022 Enel announced its goal of reducing the emissions of the above KPI to 135 gCO<sub>2eq</sub>/kWh by 2025. In December 2022, SBTi validated the following 2030 and 2040 goals, since it is in line with the "1.5 °C climate goal" scenario: reduce 100% of direct greenhouse gas emissions (Scope 1) deriving from power generation and the production of indirect greenhouse gas emissions (Scope 3) deriving from fuels and activities connected to power, covering all electricity sold per kWh by 2040 as compared to 2017 (332 gCO<sub>2eq</sub>/kWh), with a medium-term goal of a 78% reduction by 2030 (73 gCO<sub>2eq</sub>/kWh). In line with the 2024-2026 Strategic Plan, Enel announced a new KPI of 135 gCO<sub>2eq</sub>/kWh by 2026.
- **Contribution to the EU environmental goal:** Climate Change Mitigation.
- **Contribution to the UN sustainable development goals:** SDG 13: Take urgent action to combat climate change and its impacts.

### Performance del KPI #2 di Enel e relativi SPT

	2021 <sup>(1)</sup> (actual)	2022 <sup>(1)</sup> (actual)	2023 (actual)	2025 (target)	2026 (target)	2030 (target)	2040 (target)
<b>KPI #2 Performance</b>	212	210	168	135	135	73	0
<b>Gap vs 2025</b>	77	75	33				
<b>Gap vs 2026</b>	77	75	33	0			
<b>Gap vs 2030</b>	139	137	95	62	62		
<b>Gap vs 2040</b>	212	210	168	135	135	73	

(1) Figure recalculated due to an update of the emission factors of the national electricity systems for 2021 and 2022.

### c. Enel's KPI #2 and relative SPT performance KPI #3: Absolute Scope 3 GHG emissions relating to Gas Retail (MtCO<sub>2eq</sub>)



#### KPI #3: Absolute Scope 3 GHG emissions relating to Gas Retail (MtCO<sub>2eq</sub>)

Group absolute greenhouse emissions (GHG – Scope 3) deriving from the use of gas sold by the Enel Group to its end customers (measured in MtCO<sub>2eq</sub>).

- **Definition/Methodology:** Group Absolute Scope 3 CO<sub>2</sub> equivalent emissions deriving from the use of gas sold by the Enel Group to its end customers, as defined and detailed in the documentation of the relevant Sustainability-Linked transactions and in line with the GHG Protocol.
- **Rationale:** KPI #3 supports Enel's goal of full decarbonization, including the value chain of the Gas Retail business.
- **Materiality:** in 2023, KPI #3 Absolute Scope 3 GHG emissions relating to Gas Retail represented 17.8% of Enel's total carbon footprint, equivalent to 16.8 MtCO<sub>2eq</sub>.
- **Intermediate and long-term goals:** in November 2022 Enel announced its goal of reducing the emissions of KPI #3 Absolute Scope 3 GHG emissions relating to Gas Retail, reaching 20.9 MtCO<sub>2eq</sub> by 2025 and 11.4 MtCO<sub>2eq</sub> by 2030. In December 2022 SBTi validated the following 2030 and 2040 goals, in line with the "1.5 °C climate goal" scenario: 100% reduction of emissions by 2040 and 55% by 2030, with respect to the 2017 value (25.3 MtCO<sub>2eq</sub>). In line with the 2024-2026 Strategic Plan, Enel announced a new KPI of 20.0 MtCO<sub>2eq</sub> by 2026.
- **Contribution to the EU environmental goal:** Climate Change Mitigation.
- **Contribution to the UN sustainable development goals:** SDG 13: Take urgent action to combat climate change and its impacts.

#### Enel's KPI #3 and relative SPT performance

	2021 <sup>(1)</sup> (actual)	2022 <sup>(1)</sup> (actual)	2023 (actual)	2025 (target)	2026 (target)	2030 (target)	2040 (target)
<b>KPI #3 Performance</b>	20.0	20.6	16.8	20.9	20.0	11.4	0
<b>Gap vs 2025</b>	-0.9	-0.3	-4.1				
<b>Gap vs 2026</b>	0	0.6	-3.2	0.9			
<b>Gap vs 2030</b>	8.6	9.2	12.5	9.5	8.6		
<b>Gap vs 2040</b>	20.0	20.6	16.8	20.9	20.0	11.4	

(1) Figure recalculated due to an update of conversion factors.

## d. KPI #4: Renewable Installed Capacity Percentage (%)



### KPI #4: Renewable Installed Capacity Percentage (%)

Percentage of renewable energy installed capacity with respect to total installed capacity (expressed as a percentage).

- Definition/methodology:**

	Calculation method
Renewable energy installed capacity	(a) MW
Total installed capacity	(b) MW
Renewable installed capacity percentage	(a) / (b) %



Terms referring to KPI #4 and SPT #4 are detailed in the documentation of the relevant Sustainability-Linked operations.

- **Rationale:** KPI #4 supports Enel's target of complete decarbonization of its technological mix by 2040.
- **Materiality:** in 2023, KPI #4 Renewable Installed Capacity Percentage reached 68.2% of the Group's total consolidated installed capacity.
- **Intermediate and long-term goals:** the Group plans on adding approximately +10.8 GW to its installed capacity during 2024-2026, in line with reaching the decarbonization objectives aligned with the Paris Agreement. Consolidated renewable capacity is expected to reach 74% of the Group's total in 2026.
- **Contribution to the EU environmental goal:** Climate Change Mitigation.
- **Contribution to the UN sustainable development goals:** SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all.

### Enel's KPI #4 and relative SPT performance

	2021 (actual)	2022 (actual)	2023 (actual)	2024 (target)	2025 (target)	2026 (target)	2030 (target)	2040 (target)
<b>KPI #4 Performance</b>	57.5%	63.1%	68.2%	69.0%	73.0%	74.0%	80.0%	100.0%
<b>Gap vs 2021</b>								
<b>Gap vs 2022</b>	5.6%							
<b>Gap vs 2023</b>	10.7%	5.1%						
<b>Gap vs 2024</b>	11.5%	5.9%	0.8%					
<b>Gap vs 2025</b>	15.5%	9.9%	4.8%	4.0%				
<b>Gap vs 2026</b>	16.5%	10.9%	5.8%	5.0%	1.0%			
<b>Gap vs 2030</b>	22.5%	16.9%	11.8%	11.0%	7.0%	6.0%		
<b>Gap vs 2040</b>	42.5%	36.9%	31.8%	31.0%	27.0%	26.0%	20.0%	

## e. KPI #5: Proportion of Capex aligned to the EU taxonomy (%)

KPI #5: Proportion of Capex aligned to the EU taxonomy (%)											
<p>Proportion of the Capital Expenditure (from now Capex), during a certain period, in activities that are qualified as sustainable from an environmental point of view based on the criteria specified in article 3 of the regulation on EU taxonomy (2020/852) (expressed as a percentage).</p>											
<ul style="list-style-type: none"> <li> <b>Definition/methodology:</b> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Calculation</b></th> </tr> </thead> <tbody> <tr> <td>Capex aligned to the EU taxonomy</td> <td style="text-align: right;">(a) EURbn</td> </tr> <tr> <td>Total Capex according to the requirements of Article 8 of the regulation on EU taxonomy (2020/852)</td> <td style="text-align: right;">(b) EURbn</td> </tr> <tr> <td>Proportion of Capex aligned to the EU taxonomy</td> <td style="text-align: right;">(a)/(b) %</td> </tr> </tbody> </table> </li> </ul> <p>Terms referring to KPI #5 and TSS #5 are detailed in the documentation of the relevant Sustainability-Linked operations and in the consolidated non-financial reports/annual report.</p> <ul style="list-style-type: none"> <li> <b>Rationale:</b> KPI #5 supports Enel's target of complete decarbonization of its technological mix by 2040.         </li> <li> <b>Materiality:</b> the passage to zero greenhouse gas emissions by 2040 will require Enel to make huge investments over the next two decades. The share of Enel investments in capital expenses aligned to the EU taxonomy shows to what extent Enel is investing in a carbon-free business model. In 2023, KPI #5 Proportion of Capex aligned to the EU taxonomy (%) amounted to 84.8%.         </li> <li> <b>Intermediate and long-term goals:</b> in November 2022 Enel announced its goal of aligning at least 80% of its investments in capital expenses during 2023–2025 with the EU taxonomy. In line with the 2024–2026 Strategic Plan, the Group confirmed the same target for the period 2024–2026.         </li> <li> <b>Contribution to the EU environmental goal:</b> all six of the environmental goals defined in the regulation on EU taxonomy, with particular attention to the Climate Change Mitigation.         </li> <li> <b>Contribution to the UN sustainable development goals:</b> SDG 13: Take urgent action to combat climate change and its impacts.         </li> </ul>					<b>Calculation</b>	Capex aligned to the EU taxonomy	(a) EURbn	Total Capex according to the requirements of Article 8 of the regulation on EU taxonomy (2020/852)	(b) EURbn	Proportion of Capex aligned to the EU taxonomy	(a)/(b) %
	<b>Calculation</b>										
Capex aligned to the EU taxonomy	(a) EURbn										
Total Capex according to the requirements of Article 8 of the regulation on EU taxonomy (2020/852)	(b) EURbn										
Proportion of Capex aligned to the EU taxonomy	(a)/(b) %										

### Enel's KPI #5 and relative SPT performance

	2021 (actual)	2022 (actual)	2023 (actual)	2023-2025 (target)	2024-2026 (target)
<b>KPI #5 Performance</b>	82.0%	81.9%	84.8%	>80%	>80%



## 4. Verification on Enel's KPI performance

### I. KPI #1 performance

At December 31, 2023, the amount of KPI #1 emissions Scope 1 GHG emissions Intensity relating to Power Generation ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ) is equal to  $160 \text{ gCO}_{2\text{eq}}/\text{kWh}$ . The Assurance Report of KPMG, as the external verifier of

Enel, of KPI #1 Scope 1 GHG emissions Intensity relating to Power Generation ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ) is available at pages 466–471 of this Report.

### II. KPI #2 performance

At December 31, 2023, the amount of KPI #2 emissions Scope 1 and 3 GHG emissions Intensity relating to Integrated Power ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ) is equal to  $168 \text{ gCO}_{2\text{eq}}/\text{kWh}$ . The Assurance Report of KPMG, as the external verifier

of Enel, of KPI #2 Scope 1 and 3 GHG emissions Intensity relating to Integrated Power ( $\text{gCO}_{2\text{eq}}/\text{kWh}$ ) is available at pages 466–471 of this Report.

### III. KPI #3 performance

At December 31, 2023, the amount of KPI #3 emissions Absolute Scope 3 GHG emissions relating to Gas Retail ( $\text{MtCO}_{2\text{eq}}$ ) is equal to  $16.8 \text{ MtCO}_{2\text{eq}}$ .

The Assurance Report of KPMG, as the external verifier of Enel, of KPI #3 Absolute Scope 3 GHG emissions relating to Gas Retail ( $\text{MtCO}_{2\text{eq}}$ ) is available at pages 466–471 of this Report.

### IV. KPI #4 performance

The percentage value of KPI #4 Renewable Installed Capacity Percentage (%) at December 31, 2023, is equal to 68.2%.

Renewable energy installed capacity  
Total installed capacity  
Renewable Installed Capacity Percentage

#### Calculation method

(a) 55,536 MW  
(b) 81,417 MW  
(a) / (b) 68.2%

The Assurance Report of KPMG, as the external verifier of Enel, of KPI #4 Renewable Installed Capacity Percentage is available at pages 466–471 of this Report.

### V. KPI #5 performance

The percentage value of KPI #5 Proportion of Capex aligned to the EU taxonomy (%) at December 31, 2023 is equal to 84.8%.

Capex aligned to the EU taxonomy  
Total Capex according to the requirements of Article 8 of the regulation on EU taxonomy (2020/852)  
Proportion of Capex aligned to the EU taxonomy

#### Calculation method

(a) [12,097] mil euros  
(b) [14,247] mil euros  
(a)/(b) [84.8]%

The Assurance Report of KPMG, as the external verifier of Enel, of KPI #5 Proportion of Capex aligned to the EU taxonomy is available at the following link <https://www.enel.com/investors/sustainability>.

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