

2010-2019 Sustainability Plan, Main Results of 2009, and Stakeholder Engagement

In line with the sustainability plans of past years, the strategic priorities of for the sustainability of the Enel Group are integrated in the long-term 2010-2019 Business Plan, which lays out the the Company's path of economic growth within a strategic framework of environmental protection and social development. Enel has completed its international growth and is now one of the most important energy companies in the world. The 2010-2019 Business Plan focuses on four strategic priorities:

- > maintaining our leading position in the markets where we are already present;
- > continuing to integrate and consolidate the companies acquired;
- > pursuing operating excellence;
- > developing renewable and nuclear energy, as well as promoting technological innovation.

In order to ensure that the strategic objectives are fully shared, every year the Chief Executive Officer sends heads of Enel SpA's operating divisions a "Plan Letter", which contains the guidelines of corporate social responsibility they should follow to identify the objectives and specify the issues requiring action in each of the Company's operating areas. The sustainability plans prepared by the operating units, which derive from the Plan Letter, are then included in Enel's sustainability control system, which is described in the "Management Approach and Performance Indicators" chapter of this Report. As with the guidelines on the specific objectives and issues requiring action, several common premises to follow connected with the corporate atmosphere, individuals, health and safety are also announced.

During 2009 Enel initiated a series of initiatives aimed at achieving strategic objectives in terms not only of economic, but also social and environmental sustainability. First of all, the Company reviewed the new [Code of Ethics](#) and extended it to the entire Group. We also carried out [initiatives on monitoring and prevention with regard to supplier health and safety issues](#) and, in general, ones on informing and training employees about safety culture and getting them to accept their responsibilities in this regard, such as the introduction of related objectives. The promotion of energy efficiency in end use through the introduction of differentiated rates and the use of online conciliation for all electricity and gas customers constituted elements of support for our customers at this time of economic crisis. Enel's commitment to engaging, listening to, and discussing with all the local communities affected by the Company's infrastructure works was fulfilled in a series of community-level meetings and technical workshops and in a broader [community engagement strategy](#).

Our Sustainability Plan is a [stakeholder-oriented](#) presentation of the objectives of the Business Plan. The new structure of the Plan replaces the one by divisions published last year and aims to report in a clearer and more transparent way the objectives and their impact on our stakeholders and thus, in the last analysis, to construct a [reporting model that is adjusted to the requirements of the various interest groups and is easy to share with the Group companies](#).

In drawing up this Plan, we applied the principles of the AA1000APS (Accountability Principles Standard) issued in 2008 by [AccountAbility](#), an international research institute dedicated to sustainability issues:

- > [Inclusiveness](#) means facilitating stakeholder participation in the development and achievement of a responsible and strategic response to sustainability;
- > [Materiality](#) means determining the importance and significance of an issue for an organization and its stakeholders;
- > [Responsiveness](#) is an organization's response to the legitimate expectations of its stakeholders regarding its performance.

Stakeholder engagement, or inclusiveness, was one of the fundamental elements in the definition of our Sustainability Plan. For some time Enel has been using a number of instruments and initiatives to collect and analyze the requests of stakeholders in order to integrate them with its strategic choices, which has led to the definition of material macro areas of engagement for every stakeholder category, as shown in the table below.

On the instruments of engaging stakeholders, see the section on stakeholder engagement on page 61 of this Report.

For each objective and the related lines of action presented in the Sustainability Plan, in 2009 Enel initiated a series of projects and initiatives, which are reported in the related sections of this Report and summarized as lines of action in the following table.

Shareholders and Other Providers of Capital

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Sustainable policy of dividends and debt reduction	■ Continual debt reduction	■ Disposal of non-core assets and strict financial discipline in selecting investment projects	pag. 13-14, 53-54
	■ Leadership in the Company's markets	■ Organic growth, structural synergy, and operating excellence	pag. 13-14, 16, 77-79, 176, 180, 217, 226, 227-228, 300
	■ Sustainable development	■ Growth in renewable energy and geographical diversification	pag. 13-14, 24, 35, 65-66, 77-79, 82, 86, 101-102, 108-111, 103, 127-131
Sustainable and enduring value creation	■ Risk management from the strategic point of view	■ Analysis and assessment of risk-control processes	pag. 41-44
Fairness and transparency in the conduct of business	■ Maintenance of a corporate governance model that ensures the utmost transparency	■ Alignment of all Group companies with the same corporate governance through the coordination of the three instruments of self-regulation Code of Ethics, ZTC Plan, and Legislative Decree 231/01*. *The compliance program applies only to the Italian companies, but guidelines are being prepared for the companies abroad.	pag. 59-61, 214, 241, 248, 277-280
	■ Maintenance of complete and accurate information for our shareholders and lenders	■ Transparency and frequency of financial information and of relations with institutional and retail investors	pag. 24, 39, 62, 77
		■ Continuous oversight of relations with ethical investors by dedicated units	pag. 62, 69, 77

Customers

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Service quality	■ Customer care e Customer relationship	■ Extension of points of contact with customers and development of new channels through technological innovation	pag. 287-288, 298, 303, 305, 311
		■ Strengthening instruments for surveying and monitoring customer satisfaction	pag. 62, 287-288, 303, 310-316
		■ Extending conciliation to the entire Group in order to manage disputes more quickly and efficiently	pag. 71, 271, 304-305
	■ Personalization of customer service	■ Development of instruments and services for customers with specific requirements in order to achieve greater social inclusiveness	pag. 289-290, 291, 292-294
Sustainability of supply	■ Reduction of supply interruptions	■ Increased network efficiency through technological innovation and infrastructure rationalization	pag. 80, 287, 307-308
	■ Promotion of energy efficiency in end use	■ Making end users more aware of energy efficiency	pag. 81-82, 298-303

Sustainability Plan

**MACRO AREAS
OF COMMITMENT**
materiality

OBJECTIVES
materiality

LINES OF ACTION
responsiveness

IN THIS REPORT
responsiveness

Employees

MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Corporate climate based on shared values	■ Dissemination of sustainability culture	■ Initiatives of information and awareness-raising on sustainability inside and outside the Group	pag. 193, 207, 208-209, 225, 237, 241, 278
		■ Integration of sustainability in the monitoring and assessment systems	pag. 217
	■ Improvement of the corporate climate	■ Promotion of sustainability in relations with labor unions in all the countries in which Enel has operations	pag. 207-208
		■ Increasing the instruments for surveying and monitoring the corporate atmosphere	pag. 193, 225, 229
Integrity and safeguard of individuals	■ Promotion of diversity and equal opportunity	■ Leadership model and performance reviews extended to the entire Group	pag. 193, 225
		■ Implementation of initiatives for the safeguard and promotion of diversity	pag. 194, 230
	■ Promotion of corporate-welfare initiatives	■ Supplementary services (health care, cultural and recreational activities) for employees	pag. 205-206, 222-224, 226-227, 242-243
		■ Using instruments and services for improving the balance between private and professional life	pag. 222-224, 225, 226, 242-243
Occupational health and safety	■ Adoption of a single safety standard in all corporate workplaces	■ More mobility management initiatives	pag. 123-124, 148, 243
		■ Extension of management policies and systems to all the companies of the Group	pag. 196-201, 213-214
	■ Dissemination and promotion of safety culture	■ Intensification of training activities to all professional families	pag. 193, 214-215
		■ Intensification of prevention and monitoring	pag. 198-200, 216-219
Personal development	■ Formation and promotion of capabilities	■ Creation of initiatives and instruments facilitating the sharing of experiences and best practices on safety throughout the Group	pag. 213-216
		■ Dissemination of internal best practices and promotion of operating excellence throughout the Group	pag. 193-194, 226
	■ Development of assessment and incentive systems capable of attracting the most talented	■ Dissemination of knowledge management systems	pag. 193-196
		■ Initiatives supporting the new leadership model	pag. 193, 225
		■ Creation of a talent management system and activities to develop talent pools	pag. 194-196, 229

Suppliers

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Sustainability in relations with suppliers	<ul style="list-style-type: none"> Promotion of sustainability criteria in the selection of suppliers and in relations with contracting firms 	<ul style="list-style-type: none"> Formalization of a system for monitoring suppliers' respect for the rights of their workers 	pag. 244-245
		<ul style="list-style-type: none"> Revision of tender procedures from the safety point of view to align contracting firms with Enel's safety standards 	pag. 16, 245
		<ul style="list-style-type: none"> Adoption of green procurement practices 	pag. 244
		<ul style="list-style-type: none"> Fairness and transparency in selection process and relations with suppliers 	pag. 88-89, 241, 244-245, 278

Future Generations

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Access to electricity	<ul style="list-style-type: none"> Promotion of initiatives to ensure access to electricity 	<ul style="list-style-type: none"> Construction of plants for generating and distributing electricity in less-developed countries, in particular regarding rural electrification 	pag. 63-64, 289-290, 293
		<ul style="list-style-type: none"> Generation of electricity from nuclear energy 	pag. 173-182
Climate Strategy	<ul style="list-style-type: none"> Diversification of energy sources for electricity generation Research and development in technologies for the long-term environmental sustainability of energy 	<ul style="list-style-type: none"> Generation from renewable energy sources 	pag. 127-131
		<ul style="list-style-type: none"> Continual technological improvement of generating plants in countries with Group operations 	pag. 101, 103-111, 117
		<ul style="list-style-type: none"> Development of technologies for carbon sequestration and emission containment 	pag. 105-112, 174, 186
		<ul style="list-style-type: none"> Development of smart grids and electric mobility 	pag. 103, 299-300
		<ul style="list-style-type: none"> Commitment to research on overcoming barriers to increasing the use of renewable energy 	pag. 103-112

Communities

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Dialogue with communities	<ul style="list-style-type: none"> Transparent information and openness to discussion with communities 	<ul style="list-style-type: none"> Engagement with local communities affected by the construction of large infrastructure works 	pag. 62, 251, 253-255, 276
		<ul style="list-style-type: none"> Promotion of initiatives aimed at disseminating knowledge about nuclear energy 	pag. 67, 179-180, 253, 262, 264, 272-273
		<ul style="list-style-type: none"> Engagement of local communities in initiatives aimed at informing citizens about energy and environmental issues 	pag. 251-252, 261, 262, 264, 270-271
Management of environmental impact	<ul style="list-style-type: none"> Minimization of environmental risks Safeguard of biodiversity and the landscape 	<ul style="list-style-type: none"> Extension of environmental certification to all the Group's plants 	pag. 139-142
		<ul style="list-style-type: none"> Promotion and preservation of the natural inheritance in the countries with Group operations and in the green areas near Group plants 	pag. 132-144
Support for communities	<ul style="list-style-type: none"> Donations to and investment in communities 	<ul style="list-style-type: none"> Commitment to the growth and development of local communities through culture and sports 	pag. 63-64, 128, 259-271
		<ul style="list-style-type: none"> Promotion of charitable initiatives among employees 	pag. 263, 267, 268, 269
		<ul style="list-style-type: none"> Support of socially valuable initiatives 	pag. 90, 98, 291, 323-327
		<ul style="list-style-type: none"> Development of businesses with a social purpose 	pag. 90, 98, 289, 292-294, 302, 309-310
		<ul style="list-style-type: none"> Promotion of projects to facilitate access to electricity 	pag. 63-64, 160-161, 289, 290-293, 299-300

Institutions

Sustainability Plan			
MACRO AREAS OF COMMITMENT materiality	OBJECTIVES materiality	LINES OF ACTION responsiveness	IN THIS REPORT responsiveness
Commitment to good citizenship	<ul style="list-style-type: none"> Promotion of dialogue with local, national, and international institutions 	<ul style="list-style-type: none"> Cooperative relations with public institutions at the national and international level 	pag. 62, 117, 252, 253-255, 271-277
		<ul style="list-style-type: none"> Proactive role in industry and trans-industry discussions to promote sustainability issues 	pag. 63-67, 207-210, 279-280

Sustainability Plan

MACRO AREAS OF COMMITMENT
materiality

OBJECTIVES
materiality

LINES OF ACTION
responsiveness

IN THIS REPORT
responsiveness

Commitment to good citizenship

- Creation of long-term partnerships with interest groups

- Continuous and constant attention to the needs and expectations expressed by interest groups

pag. 61-63, 255, 264, 271, 274, 284

- Discussion of critical activities and planning on shared objectives

pag. 253-256, 271-277

- Environmental projects and ones to raise awareness of citizens with regard to sustainable development in partnership with environmental associations

pag. 117, 132-133, 263

Development of shared planning experience

- Projects in close cooperation with interest groups

- Innovative solutions for conciliation with customers in partnership with consumer associations

pag. 71, 271, 304-305

- Promotion of communities through projects in partnership with local governments and business organizations

pag. 271, 273, 304

- Promotion of culture and sports

pag. 254-255, 261, 262, 263, 265, 267, 268, 269, 270-271