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1. Introduction
Enel and its subsidiaries (the “Group” or the “Enel Group”) are a multinational energy group deeply committed to the renewable energies sector and to researching and developing new environmentally friendly technologies. In 2020 66% of the electricity the Enel Group produced is expected to be free of carbon dioxide emissions, making it one of the world’s major producers of clean energy. Further, Enel has committed to fully decarbonize its energy mix by 2050. In September 2019, Enel further enhanced its commitment by setting a new target for 2030, with which it undertook to reduce direct CO₂ emissions per kWh_eq (Scope 1) by 70% compared with 2017. This target was fully aligned with the Paris Agreement and certified by the Science Based Target Initiative as compliant with the Well Below 2 Degrees pathway.

The Enel Group renewables business is operated through Enel Green Power S.p.A. (“EGP”) and its subsidiaries and Endesa and Enel Chile. The Enel Group has developed and maintain the largest and most diversified portfolio of quality investment opportunities in the renewable energy business.

Enel is the first utility in the world that has replaced conventional electromechanical meters with so-called “smart meters”, being modern electronic meters that enable consumption levels to be read real time and contracts to be managed remotely. At the end of 2020, ~45 million Enel customers are expected to have an electronic meter, already leading to a full coverage of end users in Italy and Spain.

On October 30th, 2020 Enel announced an even more ambitious target in terms of GHG emissions reduction by 2030, which was also represented in November 2020, when Enel presented its 2021-2023 Strategic Plan with a vision to 2030. The Group announced that it targets an 80% reduction in direct GHG (Scope 1) emissions in 2030 versus 2017 levels (Science-Based Targets initiative, SBTi-certified), in compliance with the 1.5°C pathway. As part of its Strategic Plan, Enel has also brought forward its commitment to exit from coal to 2027, from 2030, as conveyed during the presentation of its Strategic Plan.

As part of these new announcements, the Group expects to mobilize investments of €190bn in the 2021–2030 period, boosting decarbonization, electrification of consumption and platforms to create sustainable shared value for all stakeholders and profitability over the medium and long term.

The Enel Group’s leadership position in the industry and its journey towards becoming a fully digital company enable the implementation of two business models: the traditional one, called “Ownership”, where digital platforms are a business enhancer supporting investment profitability, and the “Stewardship” model, which catalyzes third-party investments in partnership with Enel or where platforms are a business generator.

More than 90% of Enel’s consolidated investments will be in line with the UN Sustainable Development Goals (“SDGs”). In addition, according to Enel’s initial calculations, between 80% and 90% of the Group’s consolidated capex is expected to be aligned with criteria set forth in the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (“EU Taxonomy Regulation”) for its substantial contribution to climate change mitigation.²

² Please note that the EU Taxonomy Regulation is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out therein. Therefore, until the technical screening criteria for such objectives have been developed, it is not known whether the Enel Group’s renewable energy projects and transmission, distribution and smart grid projects and innovative infrastructural projects will satisfy those criteria. Accordingly, alignment with the EU Taxonomy Regulation, once the technical screening criteria are established, is not certain.
Enel has centred its strategy around the achievement of Sustainable Development Goals ("SDGs") across all of its activities, with SDG 13 on Climate Action as the cornerstone of the strategy.

The Group engages in Decarbonization of both production and consumption, while pursuing Electrification of end users to tackle climate change as well as providing access to affordable and clean energy, in line with SDG 7, SDG9 and SDG 11. Digitalization and Platforms will create new business models and will support ongoing efficiencies across Enel’s Global Business Lines, in line with SDG9 and SDG 11.

In the 2021-2023 period, the Group plans to directly invest around €40bn, of which around €38bn through the Ownership business model and around €2bn through the Stewardship business model, while further catalyzing €8bn from third parties.

Almost 90% of the €38bn euro capex through the Ownership business model is expected to be allocated to renewables and networks, totalling around €33bn in three years, while the €2bn euros capex through the Stewardship business model is expected to be concentrated in renewable development, Fiber network, e-transport and flexibility systems.

The growth rate in investments versus the previous plan is set to be around 36%.

In the Renewables business:

Under the Ownership business model, the Group plans to invest a total of €16.8bn, of which €15.7bn for the development of more than 15.4 GW of new capacity, mainly in countries with an integrated presence.

Under the Stewardship business model, the Group plans to mobilize a total of 3.8 billion euros, of which €500mn in direct investments and €3.3bn of third-party investments. This capex will lead to 4.1 GW of new capacity, mainly in Asia-Pacific and Africa.
Through both models, newly built capacity, balanced between wind and solar, is set to reach around 19.5 GW, up by around 40% versus the previous plan. The average annual built capacity is expected to increase to some 6.5 GW, up by around 40% versus the previous plan, gearing up to the average 9.6 GW per year targeted throughout the decade.

In the period, the Group will significantly decarbonize its generation mix, with additional renewable capacity more than offsetting the closure of coal plants. Production is set to follow the same path, with an overall growth expected to be around 50 TWh, driven by renewables, which will account in 2023 for around 67% of total production.

The expected GHG emission reduction path to 2030 target also now includes a target of GHG Scope 1 emissions per kWh equal or less than 148g/kWh by 2023.

A VISION FOR THE FUTURE, THE JOURNEY TO 2030
Over a decade that will be characterized by the ever-increasing growth of renewables, electrification and digitalization of infrastructure, Enel is placing at the core of its strategy:

- The acceleration of the energy transition
- New business and operating models enabled by platforms
- Sustainable and profitable growth

All of the above continues to bring significant value shared with all stakeholders as well as attractive returns for shareholders over time.

During this decade, utilities, through platform-based models, will enhance their role as conductors of complex systems, encompassing a multitude of distributed generation assets, which involve the increasingly active role of customers. A platform-based, multi-layered digital model connecting data and solutions will be key to navigate this period of transformation.

Against this backdrop, today the Group can leverage on the strength of its position, as:

- The world’s leading private renewable player with around 49 GW of total capacity globally
The world’s biggest private network operator with over 74 million end users

The private operator with the largest customer base serving 70 million customers around the world

As for investments planned under the Ownership business model in the 2021-2030 period:

Nearly half will be devoted to Global Power Generation, with Renewables totalling around €65bn, leading to, roughly, an overall 120 GW of installed renewable capacity by 2030, 2.7 times higher than current levels.

The Group will add some 75 GW, well balanced between solar and wind. To accomplish this, the Group will leverage on the world’s largest renewable gross pipeline of over 140 GW, alongside a global platform-based Business Development, Engineering and Construction as well as Operation and Maintenance model.

Furthermore, the Group plans to invest an additional €5bn in the hybridization of renewables with battery storage, whose potential is expected to reach around 20 TWh in 2030.

Significant opportunities are also due to come from the green hydrogen segment, whereby the Group plans to integrate electrolyzers with renewable plants producing electricity for direct sale or ancillary services, with green hydrogen also being sold to industrial customers. The Group plans to grow its green hydrogen capacity to over 2 GW by 2030.
Emission free production is expected to reach around 85% in 2030 from roughly 66% estimated in 2020, with a drop of direct CO2 emissions in 2030 to 82 gCO2eq/kWh from 218 gCO2eq/kWh estimated in 2020, as certified by the Science-Based Targets initiative ("SBTi"), complying with the 1.5°C pathway.

Scope 3 GHG emissions (Scope 3 related to gas retail activities by 2030) are also expected to decrease by 16% from 25.3 MtCO2 in 2017 (baseline year) to 21.2 MtCO2 in 2030, consistently with the 2°C pathway as certified by the Science Based Target Initiative.

As for the investment under the Stewardship business model, the Group is expected to invest; approximately, an additional €10bn, while catalyzing around €30bn euros from third parties, mobilizing an overall amount of approximately €40bn of capex, mainly related to Renewables, alongside Fiber, e-transport and flexibility.

THE VALUE OF SUSTAINABLE CHOICES
Utilities play a fundamental role in developing sustainable business models that support societal development and low carbon solutions. Our integrated approach, that places sustainability at the core of our strategy, has allowed us to become the worlds’ leading private operator of renewables and networks, boosting the largest retail customer base and positioning us as an early leader of the energy transition.

Our model is based on a long-term vision that aims to support the achievement of the Sustainable Development Goals (SDGs) and generate value through our Ownership and Stewardship business models by leading the energy transition in three main areas: (i) the decarbonization of generation capacity; (ii) electrification of energy consumption; and (iii) digital and platform development.

We believe that through sustainability we are able to achieve better and more predictable financial results while minimizing risks. We entered in a revolution that will affect all sectors and since for us sustainability is “value”, we will continue to pursue the opportunities offered by the expanding value pool associated with the acceleration of this transition.
At Group level, over the 2021-2023 Strategic Plan period, the aggregated effects of our business models will impact value creation substantially, with ordinary EBITDA expected to reach in 2023 between 20.7 and 21.3 €bn, and Net Ordinary Income between 6.5 and 6.7 €bn in 2023.

Looking forward to 2030 Enel plans to invest around 160 €bn through our Ownership and Stewardship models, catalyzing additional 30 €bn of third party investments. Group ordinary EBITDA is expected to increase at a 5%-6% CAGR while Net Ordinary Income at a 6%-7% CAGR between 2020 and 2030.

In 2030 more than 80% of the electricity that Enel will generate will come from renewable sources. Electrification will progress across customer segments and we will achieve 100% smart meters coverage, enabling new services and supporting efficiencies.

The path of Group’s transformation will create also value for customers, the society and the environment:

- Our customers will enjoy a sharp improvement in quality of service while, at the same time, enjoying savings on energy bills and participating in economic benefits from beyond commodity services
- The society and the environment will benefit from a sharp contraction in GHG emissions, more than 240 €bn of GDP created by our local investments and we will work to substantially improve the rate of circularity reducing materials and fuel consumption of the Group’s power fleet
- This path of transformation means also value creation for Enel:
  - Decarbonizing our generation fleet means improving margins, reducing costs and accruing savings by eliminating fossil fuels dependence
  - Electrification and integrated offering will significantly push up the value per customer for both B2C and B2B
  - The Group’s platforms will open new businesses that contribute to margins and will build up future value and reduce operating costs across the value chain
2. Rationale for establishing a Sustainability-Linked Financing (SLF) Framework
Rationale for establishing a Sustainability-Linked Financing (SLF) Framework

Over the years, Enel has been a leading player in sustainable finance, and has led key innovation over recent years. Enel was an early issuer of green bonds, and was amongst the largest corporate issuers of green bonds at the time. Enel placed very successful green bonds and met continuous growing investor demand for its green bonds.

Nevertheless, as a company whose strategy and business model are clearly sustainable, Enel decided to issue in 2019 an innovative general corporate purpose financing product which creates financial incentives for the company to fulfil its sustainable business in order to progress the evolution of sustainable capital markets.

The approach consisted in linking the sustainability strategy of Enel (or its subsidiaries) as issuer or borrower to the terms of general corporate purposes debt, incentivizing the achievement of pre-determined Sustainability Performance Targets (SPTs) within a pre-determined timeline.

Enel’s SDG-Linked Bonds issued in September 2019 marked the beginning of the Sustainability-Linked Bond Market, and following the issuance of Sustainability-Linked Bonds by a variety of borrowers globally, it is also important to note that the European Central Bank has announced that, as of January 1, 2021, bonds with coupon structures linked to certain sustainability performance targets will become eligible (i) as collateral for Eurosystem credit operations and also (ii) for outright purchases in Eurosystem monetary policy operations, provided that they comply with all other eligibility criteria.

Enel expanded the range of its Sustainability-Linked Financing instruments in 2020 with SDG-Linked Loans and Revolving...
Credit Facilities, as well as a Sustainable Development Goal ("SDG") 7 (Affordable and Clean Energy) Target Guaranteed Euro-Commercial Paper Programme, demonstrating how sustainability can be integrated across the financing tools of the company.

Enel wishes to foster best market practices and present a unified and coherent suite of Sustainability-Linked Financing instruments to the market and to the subsidized and development financing space. Enel has thus decided to establish a Sustainability-Linked Financing Framework.

Enel’s instruments under this framework will be focused on contributing 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), both relating to climate change or environmental degradation.
3. Alignment with Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2020
Alignment with Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2020

This Framework has been established in accordance with the Sustainability-Linked Principles (SLBP) 2020 as administered by ICMA\(^3\).

The following five components form the basis of Enel’s SLF framework:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Financial characteristics
4. Reporting on the above
5. Independent verification of the components listed in points 1-4

Substantially similar core components are outlined under the Sustainability Linked Loan Principles 2020, published by the LMA in connection with sustainability linked loans\(^4\).

This Framework covers the following financing instruments: Sustainability-Linked Bonds, Sustainability-Linked Loans and the Sustainable Development Goal (“SDG”) 7 (Affordable and Clean Energy) Target Guaranteed Euro-Commercial Paper Programme.

For the avoidance of doubt, please note that the above mentioned financing instruments falling within this Framework will be those issued and/or executed after the publication of this Framework in the Enel’s website.

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3.1 KEY PERFORMANCE INDICATORS (KPIs)
Enel has selected the following two KPIs, which are core, relevant, and material to their business and measure the sustainability improvements of the Group. These two KPIs 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), both relating to climate change or environmental degradation, which are amongst others acceptable environmental goals to which coupon structures may be linked in order for sustainability-linked bonds to be considered potentially eligible by the European Central Bank as collateral for Eurosystem credit operations and for outright purchases in Eurosystem monetary policy operations, provided that all other eligibility criteria are met.

KPI #1: DIRECT GREENHOUSE GAS EMISSIONS AMOUNT (SCOPE 1)
Scope 1 Greenhouse gas (GHG) emissions (measured in grams of CO₂ per kWh), contributing to SDG13 (Climate Action)

RATIONALITY:
Enel's carbon footprint is key to measure Enel's path towards full decarbonization by 2050. Scope 1 intensity in 2020 are expected to be equal to 218 g/kWh.

INTERMEDIATE AND LONG-TERM GOALS:
The first GHG Scope 1 emissions reduction target was set in 2015:
- GHG Scope 1 emissions per kWh reduction by 25% by 2020 with respect to 2007 baseline, therefore reaching a carbon intensity lower than 350 g/kWh. The target was certified by SBTi.

In 2019 the target was accomplished in advance and two new targets were set within the 2020-2022 Strategic Plan:
- GHG Scope 1 emissions per kWh equal or less than 254 g/kWh by 2020; and
3. Alignment with Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2020

GHG Scope 1 emissions per kWh equal or less than 220 g/kWh by 2022.

Furthermore, a new target was announced in 2019:

GHG Scope 1 emissions per kWh reduction by 70% by 2030 with respect to 2017 baseline, reaching a carbon intensity lower than 125 g/kWh. The target is certified by SBTi.

In October 2020, new targets were announced as part of the 2021–2023 Strategic Plan:

GHG Scope 1 emissions per kWh reduction by 80% by 2030 with respect to the 2017 baseline, reaching a carbon intensity lower than 82 g/kWh. The targets is certified by SBTi, complying with the 1.5°C pathway.

The expected path to 2030 target also now includes a target of GHG Scope 1 emissions per kWh equal or less than 148 g/kWh by 2023.

The ultimate goal is to reach the full decarbonization of Enel’s energy mix by 2050.
### Enel’s Historical Scope 1, 2, and 3 GHG Emissions (2017-2019) Performance

<table>
<thead>
<tr>
<th>Source: Enel 2019 Sustainability Report P66</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GREENHOUSE GAS EMISSIONS</strong> (t)</td>
</tr>
<tr>
<td><strong>Total direct gas emissions (Scope 1)</strong></td>
</tr>
<tr>
<td>- of which CO₂ emissions from the electricity production and heat</td>
</tr>
<tr>
<td>- of which other direct emissions due to electricity production and other activities</td>
</tr>
<tr>
<td><strong>Total indirect greenhouse gas emissions (Scope 2, location-based)</strong></td>
</tr>
<tr>
<td>- of which indirect emissions from electricity purchased</td>
</tr>
<tr>
<td>- of which indirect emissions deriving from technical losses from Enel’s distribution network and electricity system’s transmission network</td>
</tr>
<tr>
<td><strong>Indirect greenhouse gas emissions (Scope 2, market-based)</strong></td>
</tr>
<tr>
<td><strong>Total of other indirect greenhouse gas emissions (Scope 3)</strong></td>
</tr>
<tr>
<td>- of which indirect emissions deriving from the extraction and transport of fossil fuels, raw materials and waste</td>
</tr>
<tr>
<td>- of which indirect emissions deriving from the use of sold products (electricity)</td>
</tr>
<tr>
<td>- of which indirect emissions deriving from the use of sold products (gas)</td>
</tr>
<tr>
<td><strong>Total CO₂ avoided emissions</strong></td>
</tr>
</tbody>
</table>

### Historical Performance and Targets for KPI #1: Scope 1 Direct GHG Emissions (Measured in Grams of CO₂ Per KWHeq)

- **Scope 1** (CO₂eq/kWh)
  - 2017: 414
  - 2019: 298
  - 2023: 148
  - Previous SBTI Target: 125
  - Full Decarbonization: 82

1. Scope 1 by 2030, consistent with the 1.5 pathway of the Science Based Target Initiative
For avoidance of doubt, capitalized terms used herein and referring to the KPI #1 and the SPT #1 not otherwise defined, shall have the meaning assigned to them in the documentation (if publicly made available) of the relevant sustainability-linked transactions.

**KPI #2: RENEWABLE INSTALLED CAPACITY PERCENTAGE**
Proportion that Renewable Energy Installed Capacity represents of Total Installed Capacity (expressed as a percentage), contributing to SDG7 (Affordable and Clean Energy)

**RATIONALE:**
Our KPI #2 supports Enel’s target to fully decarbonize its technology mix by 2050

**INTERMEDIATE AND LONG-TERM GOAL:**
The objective is to reach 65% of total net efficient installed capacity from renewables by the end of 2023, compared to the 2020 baseline.

This represents an increase of over 33% in renewable net efficient installed capacity compared to 2020, from a total renewable capacity of ~45 GW in 2020 to ~60 GW capacity in 2023 (+ ~15 GW)

Therefore, the percentage of renewable net efficient installed capacity, in relation to total net efficient installed capacity would increase of 11 percentage points, from 54% expected in 2020 to 65% in 2023
For avoidance of doubt, capitalized terms used herein and referring to the KPI #2 and the SPT #2 not otherwise defined, shall have the meaning assigned to them in the documentation of the relevant sustainability-linked transactions.
3.2 SUSTAINABILITY PERFORMANCE TARGET (SPTs)

**SPT #1: DIRECT GREENHOUSE GAS EMISSIONS AMOUNT**

Direct Greenhouse Gas Emissions Amount (expressed in grams per kWh, as of the Direct Greenhouse Gas Emissions Amount Reference Date) was equal to or lower than the relevant Direct Greenhouse Gas Emissions Amount Intermediate Threshold, or the relevant Direct Greenhouse Gas Emissions Amount Full Threshold, as applicable.

“Direct Greenhouse Gas Emissions Amount Intermediate Threshold” or “Direct Greenhouse Gas Emissions Amount Full Threshold” will be specified in the relevant documentation of the specific transaction, as applicable (e.g. Final Terms of the Sustainability Linked Bond or facility agreement of the Sustainability-Linked Loan).

In October 2020, Enel announced further commitments that led to the revisions of its the Group’s Scope 1 direct GHG emissions per kWheq for 2030, at 80% compared with 2017 as certified by the Science-Based Targets initiative (“SBTi”) and complying with the 1.5°C pathway. Enel’s Direct Greenhouse Gas Emissions Amount Full Threshold by 2030 has been updated to 82 grams by kWheq.

Enel’s Direct Greenhouse Gas Emissions Amount Full Threshold by 2023 has been announced at 148 grams by kWheq by 2023.


Factors that support and/or might put at risk the achievement of the targets are disclosed in the relevant documentation of the sustainability-linked transactions, in line with applicable regulation.

<table>
<thead>
<tr>
<th>Metrics / Year</th>
<th>2023</th>
<th>2030</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPT</td>
<td>148 gCO₂ₑₑₑ/kWh*</td>
<td>82 gCO₂ₑₑₑ/kWh**</td>
<td>0 gCO₂ₑₑₑ/kWh</td>
</tr>
</tbody>
</table>

* 2023 SPT announced on Enel’s Capital Markets Day of November 2020, in the context of 2021-2023 Strategic Plan

** 2030 SPT announced on October 30th 2020
3. Alignment with Sustainability-Linked Bond Principles 2020 and Sustainability-Linked Loan Principles 2020

SPT #2: RENEWABLE INSTALLED CAPACITY PERCENTAGE

Renewable Installed Capacity Percentage (as of the Renewable Installed Capacity Percentage Reference Date) was equal to or exceeded the relevant Renewable Installed Capacity Percentage Threshold.

<table>
<thead>
<tr>
<th>Metrics / Year</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPT</td>
<td>55%*</td>
<td>60%**</td>
<td>65%***</td>
</tr>
</tbody>
</table>

* 2021 SPT announced on Enel’s Capital Markets Day of November 2018, in the context of 2019-2021 Strategic Plan
** 2022 SPT announced on Enel’s Capital Markets Day of November 2019, in the context of 2020-2022 Strategic Plan
*** 2023 SPT announced on Enel’s Capital Markets Day of November 2020, in the context of 2021-2023 Strategic Plan

Enel will announce its updated Renewable Installed Capacity Percentage Threshold annually, and include it in its Sustainability-Linked instruments issued or executed thereafter.

Any such updated Renewable Installed Capacity Percentage Threshold might be included in the Sustainable Development Goal (“SDG”) 7 (Affordable and Clean Energy) Target Guaranteed Euro-Commercial Paper Programme as amended or established thereafter.

Factors that support and/or might put at risk the achievement of the Targets are disclosed in the relevant documentation of the sustainability-linked transactions, according to applicable regulation.
3.3 FINANCIAL CHARACTERISTICS
This section of the Framework only applies to Sustainability-Linked bonds and Sustainability-Linked Loans.

The proceeds of Enel’s Sustainability-Linked instruments will be used for general corporate purposes.

For the avoidance of doubt, the Sustainable Development Goal (“SDG”) 7 (Affordable and Clean Energy) Target Guaranteed Euro-Commercial Paper Programme (CPP) documentation includes the company’s commitment to achieve SPT #2 in respect of KPI #2. However, the achievement or not of this target will not impact the financial characteristics of the CPP.

KPI #1: DIRECT GREENHOUSE GAS EMISSIONS AMOUNT
The failure⁶ by Enel to satisfy SPT #1 as of the Direct Greenhouse Gas Emissions Amount Reference Date will trigger a step-up margin or margin adjustment, as applicable, bringing to an increase in the interest rate applicable to interest periods following such reference date.

The achievement by Enel of SPT #1 as of the Direct Greenhouse Gas Emissions Amount Reference Date might trigger a margin adjustment applicable to interest periods following such reference date⁷.

KPI #2: RENEWABLE INSTALLED CAPACITY PERCENTAGE
The failure by Enel to satisfy SPT #2 as of as of the Renewable Installed Capacity Percentage Reference Date will trigger a step-up margin or margin adjustment, as applicable, bringing to an increase in the interest rate applicable to interest periods following such reference date.

The achievement by Enel of SPT #2 as of the Renewable Installed Capacity Percentage Reference Date might trigger a margin adjustment applicable to interest period following such reference date⁸.

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⁶ See Appendix for further details
⁷ A similar adjustment might apply to other financial terms of the transaction as well
⁸ A similar adjustment might apply to other financial terms of the transaction as well
The step-up margin or margin adjustment, as applicable, will be specified in the relevant documentation of the specific transaction (e.g. Final Terms of the Sustainability Linked Bond or the facility agreement of the Sustainability-Linked Loan).

For the avoidance of doubt, no more than one step-up margin or margin adjustment, as applicable, can be applied over the life of a given Sustainability-Linked transaction.

3.4 REPORTING

Direct Greenhouse Gas Emissions Amount will be reported by Enel on an annual basis in its Sustainability Report - Non Financial Statement. Renewable Installed Capacity Percentage will be reported by Enel at least on an annual basis on its website and in its Annual Reports.

Reporting may include:

- Up-to-date information on the performance of the selected KPI, including the baseline where relevant
- A verification assurance report relative to the SPT outlining the performance against the SPT and the related impact, and timing of such impact, on a financial instrument performance
- Any relevant information enabling investors to monitor the progress of the SPT

Information may also include when feasible and possible:

- Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities, behind the evolution of the performance/KPI on an annual basis
- Illustration of the positive sustainability impacts of the performance improvement
- Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope, if relevant
3.5 VERIFICATION

Enel’s performance of the KPI #1 and KPI #2 according to SPT #1 and SPT #2 at the relevant reference date will be verified by an External Verifier\(^9\).

“External Verifier” means:

1. EY S.p.A., KPMG S.p.A., or any such other qualified provider of third party assurance or attestation services appointed by Enel, to review Enel’s statement of the Renewable Installed Capacity Percentage

2. DNV GL Business Assurance Italia S.r.l. or such other qualified provider of third party assurance or attestation services appointed by Enel, to review Enel’s statement of the Direct Greenhouse Gas Emissions Amount.

Enel’s Sustainability-Linked Financing Framework has been reviewed by Vigeo Eiris who provided a second party opinion, confirming the alignment with the Sustainability-Linked Bond Principles (SLBP) administered by the ICMA, and Sustainability-Linked Loan Principles (SLLP), administered by LMA.

Additional KPIs/SPTs may be added over time and other SPTs for KPI 1 and 2 will be added over time.

AMENDMENTS TO THIS FRAMEWORK

Enel will review this Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. Enel will also review this Framework in case of material changes in the perimeter, methodology, and in particular KPIs and/or the SPT’s calibration.

Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of Vigeo Eiris or any such other qualified provider of second party opinion. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an External Verifier.

The updated Framework, if any, will be published on Enel’s website and will replace this Framework.

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9. In line with the Loan Market Association SLLP 2020, in the context of loans and credit facilities, the need for external review is negotiated and agreed between the Enel Group and lenders on a transaction-by-transaction basis.
This Sustainability-Linked Financing Framework (the “Framework”) contains certain forward-looking statements that reflect the Enel’s management’s current views with respect to future events and financial and operational performance of the Enel Group. These forward-looking statements are based on Enel’s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Enel to control or estimate precisely. You are cautioned not to place undue reliance on the forward-looking statements (as well as information and opinions) contained herein, which are made only as of the date of this document and are subject to change without notice. Enel does not undertake any obligation or responsibility to release any updates or revisions to any forward-looking statements and/or information to reflect events or circumstances after the date of publication of this Framework. The information contained in this Framework does not purport to be comprehensive and, unless differently specified in this Framework, has not been independently verified by any independent third party.

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Appendix
The failure of Enel to satisfy the relevant SPT as of the relevant Reference Date will not trigger the Step up Margin in case the failure is due to either:

A. An amendment to, or change in, any applicable laws, regulations, rules, guidelines and policies or a decision of a competent authority, applicable to and/or relating to, or such that (i) the operating life-time of the nuclear power plants owned by Enel, or its consolidated subsidiaries or joint operations, is reduced or (ii) the closure of the thermo-electric power plants owned by Enel, or its consolidated subsidiaries or joint operations, is delayed or (iii) a required conversion of the thermo-electric power plants owned by Enel, or its consolidated subsidiaries or joint operations, to gas power plants; or

B. The relevant energy concessions granted to Enel; or its consolidated subsidiaries or joint operations, being amended, revoked or the relevant expiration date is shortened.

The documentation of each Sustainability-Linked financial transaction shall include any further conditions applicable to margin adjustments.
Appendix II: SBTi assessment of SPT #1

Dear ENEL SPA

Thank you for submitting your greenhouse gas emission reduction target(s) to the Science Based Targets initiative (SBTi) for an official validation using the voluntary ambition update process.

Our team has assessed your target(s) against the SBTi criteria [version 2.0] and, after careful review, we are happy to inform you that your submitted target(s) have been approved and the scope 1 and 2 portion of your targets are aligned with a 1.5°C pathway. The ambition of your scope 3 targets has been updated through the voluntary process, although they are not currently classified.

Basic information about your company and the approved target(s) will be listed on the Science Based Targets website. The following agreed target wording will be used:

“Multinational energy company Enel commits to reduce scope 1 GHG emissions 80% per kWh by 2030 from a 2017 base year, limiting them to 0.2 gCO2e/kWh, and achieve full decarbonization by 2050. Enel SPA also commits to reduce absolute scope 3 GHG emissions for the use of sold products 16% by 2030 from a 2017 base year.”

The SBTi plans to publish your approved target wording and temperature alignment on our website one month from this date, on November 12. Please let the communications team know if your company would like to request a different publication date. The SBTi requires approved target(s) to be published within six months from the date of this official target approval letter, to ensure targets published on the website are in line with the latest SBTi criteria and recommendations.

Congratulations on your approved science-based targets and increasing your target ambition!

Kind regards,

The Science Based Targets initiative’s Steering Committee
Appendix III: Methodology of calculation of SPT #2

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable Energy Installed Capacity</td>
<td>(a) MW</td>
</tr>
<tr>
<td>Total Installed Capacity</td>
<td>(b) MW</td>
</tr>
<tr>
<td>Renewable Installed Capacity Percentage</td>
<td>(a) / (b) %</td>
</tr>
</tbody>
</table>

For avoidance of doubt, capitalized terms used herein and referring to the KPI #2 and the SPT #2 not otherwise defined, shall have the meaning assigned to them in the documentation of the relevant sustainability-linked transactions.