

An aerial photograph of a paved plaza with alternating stripes of green grass and grey paving stones. Several people are walking across the plaza, and their shadows are cast onto the ground. The image is used as a background for the report cover.

Green Bond Report 2018

enel



Green Bond Report 2018



Green Bond Report

Enel Finance International NV, the Group's financial company controlled by Enel SpA, placed three green bonds on the European market in January 2017 (1.25 billion euros), 2018 (1.25 billion euros) and 2019 (1 billion euros) for a total of 3.50 billion euros. The bonds are for institutional investors and are guaranteed by Enel SpA. The net issuance proceeds – carried out under the medium-term bond issue program of Enel and Enel Finance International (Euro Medium-Term Notes Program - EMTN) – were used to finance eligible projects according to the "Green Bond Principles" categories, published by the ICMA (International Capital Market Association). In particular, the proceeds were used to finance:

- new projects for the development, construction and repowering of renewable energy generation plants; (green bond issuance in 2017);
- new projects for the development, construction, repowering and refi-

nancing of plants generating from renewable sources as well as projects for transmission, distribution and smart grids (green bond issuance in 2018);

- innovative infrastructure projects (only for the green bond issuance in 2019 in addition to the above category and whose proceeds have not yet been allocated).

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 issuance, whose compliance with the reference principles has been confirmed by an external advisor, Vigeo Eiris, who issued the so-called "second party opinion". Within the frameworks, the categories relating to eligible projects are aligned with the Sustainable Development Goals of the United Nations (UN SDG), in particular Goals 7, 9, 11 and 13¹.

The reference documents for the three

issuance are available on the Enel Group's website (<https://www.enel.com/investors/fixed-income/main-programs/green-bond>).

The Group is among the first companies in the world having set up a "Green Bond Committee" with the aim of selecting projects and monitoring the progress of their development. The reporting document hereof, being published for the second time, 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.

¹ SDG 7 "Affordable and clean energy"; SDG 9 "Industry, innovation and infrastructure"; SDG 11 "Sustainable cities and communities"; SDG 13 "Climate action."



Reporting criteria

In order to facilitate transparency and understanding of reporting over the years, the report is structured as follows:

- 2017 green bond reporting with evidence of projects relating to renewable plants defined in 2017 and those defined in 2018 in order to complete the full allocation;
- 2018 green bond reporting with evidence of projects related to: (i) new

renewable installations; (ii) existing renewable installations for which refinancing is required due to an increase in production capacity; and (iii) investment activities in Infrastructure and Networks.

For ease of representation, the tables of indicators are reported on the basis of the nature of the projects and the year of green bond issuance.

Indicators shown in the following tables

were determined in accordance with the "Green Bond Framework" principles.

Table A "Financial indicators" shows the following:

- 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 eu-

ros” determined by converting the amount of the investment in foreign currency at the average exchange rate for the years 2017-2019 (for projects defined in 2017) and/or at the average exchange rate for the years 2018-2020 (for projects defined in 2018) of Enel’s Industrial Plan;

- the share of the green bond proceeds allocated to the project as the difference between the total costs capitalized as at December 31, 2017 and/or December 31, 2018 and the amount of third-party financing associated to the specific project². The amounts of revenue allocated to the projects in 2017 and 2018 respectively were used in the same years;
- the date of entry into operation corresponding to the time when the plant produced the first kWh.

Table B “ESG indicators” shows the environmental benefit in terms of CO₂ avoided (actual or expected). In detail with regard to renewable projects:

- the quantity of CO₂ avoided (both actual and expected) is determined by multiplying production (actual or expected) by the issuance factor linked to the specific thermoelectric energy production of the country in which the plant is located (issuance factors source: Enerdata - February 27, 2019 release);
- the share of production (both actual and expected) and the related amount of CO₂ avoided attributable to the green bond is calculated as the share of green bond proceeds allocated to the project on the total investment;
- for projects relating to generation plants from renewable sources, the cumulative value of actual production and the relative CO₂ avoided for all years of reporting of the green bond

report is also shown.

On the other hand, the following indicators are given for Infrastructure and Networks projects, among others:

- the cabling ratio is determined by the ratio between the length of the cable lines and the total length of the lines. The increase in this index over time is due to an increase in the length of the overhead and underground cable line to the detriment of bare conductors; in particular, the main environmental benefits concern the containment of plant cutting activities and a drastic reduction in the risk of electrocution for birds;
- network automation corresponds to the ratio between RCP (Remote Controlled Point) and medium/low-voltage equipments;
- technical network losses are 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 issuance and consumption of raw materials;
- the elimination of oil equipment with PCB reduces the risk of contamination of a compound no longer in production since the 1980s and classified as ecotoxic and bioaccumulable;
- the calculation of CO₂ avoided. The energy saving estimation model takes into account: the number of low-loss transformers replacing traditional transformers; operations on the MV network; network upgrading measures; the new transformer rooms, which involve optimizing the grid in terms of reducing low-voltage lines in favor of higher-voltage ones.

As for the further ESG metrics, Table C

“Further ESG indicators” shows, among others, the data relating to the projects financed with the proceeds of the bond, where possible and appropriate³, as envisaged in the “second party opinion”⁴:

- water consumption refers data reported in the period of construction of the plant or in the period following its entry into operation. In the case of plants that started operating after September 30, 2018, the water consumption of the construction site is reported, in other cases (plants operating before September 30, 2018) the water consumption in operation;
- actions to protect biodiversity refer to the number of protection or recovery projects promoted by Enel in connection to the operation of the plant;
- the indicator relating to plant shutdown or site stop due to environmental issues is equal to the number of times operations were interrupted due to environmental management issues and their impact;
- concerning occupational safety, the number of fatal and “high-consequence” injuries⁵ to Enel people is reported;
- the indicator on social actions refers to the activities and/or projects carried out to support local communities in the areas surrounding the plant. Beneficiaries means the number of people involved by such activity or project.

The above indicators in Table C, with the exception of water consumption and plant shutdown due to environmental issues, also refer to Infrastructure and Networks projects.

Table D “Overall information” refers to the criteria, indicators, overall information and approach chosen by Enel to develop the projects financed through the proceeds of the bond.





The data are precisely calculated based on Enel's accounting, non-accounting and other information systems, and are validated by the relevant managers. Estimate-based data and the relative calculation method are explicitly indicated.

- 2 If the same company is involved with the implementation of several projects, proceeds are allocated to the specific project based on the capacity.
- 3 Projects relating to renewable plants with a capacity of more than 20 MW are considered to be relevant.
- 4 "Material reused/recycled after revamping" is not applicable, as the proceeds of green bonds were not used to finance revamping projects in 2017 and 2018.
- 5 Sum of injuries which, at December 31, 2018, resulted in more than 6 months' absence from work and, of cases not closed, accidents considered severe (initial prognosis > 30 days).



Table A - Financial indicators ^(1,2)

Green Bond 2017
Renewable projects

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Investment			Green bond proceeds allocated to the project in 2017 (mil euros)	Green bond proceeds allocated to the project in 2018 (mil euros)	Total allocated 2017-2018 (mil euros)
						Currency	Value in currency (mil)	Equivalent in euro (mil) ⁽⁵⁾			
USA	Red Dirt	Wind	In Operation	300	nov-17	USD	420	378	58	19	77
USA	Thunder Ranch	Wind	In Operation	298	nov-17	USD	435	392	120	13	132
USA	Hilltopper	Wind	In Operation	185	nov-18	USD	325	293	52	114	166
USA	Stillwater Solar II	Solar	In Operation	27	may-18	USD	40	36	30	18	48
USA	Woods Hill	Solar	In Operation	25	dec-17	USD	44	41	33	3	36
USA	Rattlesnake Creek	Wind	In Operation	320	dec-18	USD	430	387	27	177	204
USA	Rock Creek	Wind	In Operation	300	oct-17	USD	500	450	58	15	73
BRAZIL	Horizonte MP	Solar	In Operation	103	feb-18	USD	110	99	43	-	43
BRAZIL	Delfina	Wind	In Operation	180	aug-17	USD	400	360	33	-	33
CHILE	Cerro Pabellón	Geothermal	In Operation	48 ⁽⁶⁾	aug-17	USD	320	293	57	-	57
CHILE	Sierra Gorda	Wind	In Operation	112	dec-16	USD	215	194	17	-	17
PERU	Wayra	Wind	In Operation	132	mar-18	USD	165	149	78	4	82
PERU	Rubi	Solar	In Operation	180	nov-17	USD	170	153	68	-	68
ITALY	Various projects ⁽³⁾	Biomass/ Geothermal/ Hydroelectric		35	2017-2019	EUR	129	130	32	38	70
CANADA	Riverview	Wind	Ready to Build	115	dec-19	USD	170	143	-	8	8
CANADA	Castel Rock Ridge 2	Wind	Ready to Build	31	oct-19				-	2	2
MEXICO	Magdalena 2	Solar	Under Construction	220	sep-19	USD	157	132	-	9	9
MEXICO	Amistad II	Wind	Under Construction	100	jul-19	USD	115	97	-	22	22
MEXICO	Amistad III	Wind	Under Construction	100	dec-19	USD	104	87	-	11	11
MEXICO	Amistad IV	Wind	Ready to Build	149	apr-20	USD	149	125	-	13	13
MEXICO	Dolores	Wind	Under Construction	244	dec-19	USD	280	235	-	36	36
PANAMA	Estrella Solar	Solar	In Operation	8	aug-18	USD	8	7	-	5	5
ZAMBIA	Ngonye	Solar	Under Construction	34	feb-19	USD	40	34	-	10	10
ITALY	Various projects ⁽⁴⁾	Geothermal/ Hydroelectric	Ready to Build	11	2018-2020	EUR	43	36	-	14	14
Total									707	530	1,237

(1) In January 2019 the Brazilian projects "Nova Olinda", "Lapa" and "Cristalândia" have been sold. These projects are not included in the green bond scope and replaced by new projects. The overall investment was about 600 million euros and the related proceeds allocated were equal to 240 million euros.

(2) The 2017 projects are highlighted in black and 2018 projects, which contribute to the 2017 bond allocation, are in blue.

(3) Aggregated data for 26 small-scale Italian projects. The technologies involved are biomass, geothermal and hydroelectric.

(4) Aggregated data for 8 small-scale Italian projects. The technologies involved are geothermal and hydroelectric.

(5) Indicative value in euros (EUR), although the investment in US dollars (USD) applies where present. The exchange rate used is 1.11 USD/EUR for project allocated in 2017 green bond and 1.19 USD/EUR for project allocated in 2018 green bond.

(6) Gross capacity is reported.





Table B - ESG indicators

Green Bond 2017
Renewable projects

Country	Project name	2017 product. (GWh)	CO ₂ avoided 2017 (t)	2018 product. (GWh) ⁽¹⁾	CO ₂ avoided 2018 (t)	2017 and 2018 product. (GWh)	CO ₂ avoided 2017 and 2018 (t)	2018 production attribut. to GB (GWh)	2018 CO ₂ avoided attribut. to GB (t)	Expected annual product. (GWh) ⁽²⁾	Expected CO ₂ avoided (t)	Expected annual production attributable to GB (GWh)	Expected CO ₂ avoided attribut. to GB (t)
USA	Red Dirt	n.a.	n.a.	1,047	708,602	1,047	708,602	54	36,310	n.a.	n.a.	n.a.	n.a.
USA	Thunder Ranch	n.a.	n.a.	1,123	759,935	1,123	759,935	36	24,516	n.a.	n.a.	n.a.	n.a.
USA	Hilltopper	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	600	406,076	233	157,993
USA	Stillwater Solar II	n.a.	n.a.	16	10,764	16	10,764	8	5,277	n.a.	n.a.	n.a.	n.a.
USA	Woods Hill	n.a.	n.a.	23	15,419	23	15,419	2	1,057	n.a.	n.a.	n.a.	n.a.
USA	Rattlesnake Creek	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,300	879,831	593	401,498
USA	Rock Creek	n.a.	n.a.	1,081	731,665	1,081	731,665	36	24,653	n.a.	n.a.	n.a.	n.a.
BRAZIL	Horizonte MP	n.a.	n.a.	153	87,940	153	87,940	-	-	n.a.	n.a.	n.a.	n.a.
BRAZIL	Delfina	286	144,457	829	476,486	1,115	620,943	-	-	n.a.	n.a.	n.a.	n.a.
CHILE	Cerro Pabellón	61	47,107	214	167,022	275	214,129	-	-	n.a.	n.a.	n.a.	n.a.
CHILE	Sierra Gorda	308	236,137	350	272,485	658	508,622	-	-	n.a.	n.a.	n.a.	n.a.
PERU	Wayra	n.a.	n.a.	471	234,453	471	234,453	12	5,806	n.a.	n.a.	n.a.	n.a.
PERU	Rubi	n.a.	n.a.	422	210,192	422	210,192	-	-	n.a.	n.a.	n.a.	n.a.
ITALY	Various projects ⁽³⁾	4	2,257	359	178,175	363	180,432	105	52,082	n.a.	n.a.	n.a.	n.a.
CANADA	Riverview	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	449	343,397	24	18,580
CANADA	Castel Rock Ridge 2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	109	83,128	1	1,124
MEXICO	Magdalena 2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	634	347,551	43	23,778
MEXICO	Amistad II	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	429	235,039	97	53,354
MEXICO	Amistad III	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	426	233,343	55	30,160
MEXICO	Amistad IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	618	338,647	66	36,454
MEXICO	Dolores	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,040	570,034	157	86,222
PANAMA	Estrella Solar	n.a.	n.a.	3	2,190	3	2,190	2	1,545	n.a.	n.a.	n.a.	n.a.
ZAMBIA	Ngonye	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	72	26,178	22	8,028
ITALY	Various projects ⁽⁴⁾	n.a.	n.a.	3	1,489	3	1,489	1	581	n.a.	n.a.	n.a.	n.a.

n.a. not applicable

(1) For projects entered into operation by September 30, 2018, the actual production data are reported and consequently the amount of CO₂ avoided.

(2) For projects that entered into operation after September 30, 2018 or which have not yet entered into operation, the expected annual production data and the expected amount of CO₂ avoided are reported.

(3) Aggregated data for 26 small-scale Italian projects. The technologies involved are biomass, geothermal and hydroelectric.

(4) Aggregated data for 8 small-scale Italian projects. The technologies involved are geothermal and hydroelectric.

Table C - Further ESG indicators

Green Bond 2017
Renewable projects

Country	Project name	Water consumption (m³)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatal and "high consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Red Dirt	264 ⁽¹⁾	1	-	-	-	-
USA	Thunder Ranch	264 ⁽¹⁾	1	-	-	-	-
USA	Hilltopper	328,000 ⁽²⁾	-	-	-	-	-
USA	Stillwater Solar II	n.a.	-	-	-	-	-
USA	Woods Hill	n.a.	-	1	-	-	-
USA	Rattlesnake Creek	16,700 ⁽²⁾	-	-	-	1	400
USA	Rock Creek	264 ⁽¹⁾	1	-	-	3	6,180
BRAZIL	Horizonte MP	2,121 ⁽¹⁾	4	-	-	2	116
BRAZIL	Delfina	3,584 ⁽¹⁾	7	-	-	8	1,311
CHILE	Cerro Pabellón	405 ⁽¹⁾	9	-	-	8	448
CHILE	Sierra Gorda	142 ⁽¹⁾	1	-	-	-	-
PERU	Wayra	260 ⁽¹⁾	3	-	-	10	608
PERU	Rubi	-	-	-	-	10	2,613
ITALY	Various projects ⁽³⁾	686	-	-	-	5	642
CANADA	Riverview	n.a.	-	-	-	-	-
CANADA	Castel Rock Ridge 2	n.a.	-	-	-	-	-
MEXICO	Magdalena 2	940 ⁽²⁾	-	-	-	-	-
MEXICO	Amistad II	2,466 ⁽²⁾	2	-	-	1	200
MEXICO	Amistad III	4 ⁽²⁾	2	-	-	-	-
MEXICO	Amistad IV	n.a.	1	-	-	-	-
MEXICO	Dolores	887 ⁽²⁾	-	-	-	-	-
PANAMA	Estrella Solar	n.a.	-	-	-	2	285
ZAMBIA	Ngonye	21,380 ⁽²⁾	1	-	-	-	-
ITALY	Various projects ⁽⁴⁾	2,055	-	-	-	3	122

n.a. not applicable

(1) For plant entered into operation by September 30, 2018 the figures refer to water consumption related to operation phase.

(2) For plant not yet entered into operation by September 30, 2018 the figures refer to water consumption related to under construction phase.

(3) Aggregated data for 26 small-scale Italian projects. The technologies involved are biomass, geothermal and hydroelectric.

(4) Aggregated data for 8 small-scale Italian projects. The technologies involved are geothermal and hydroelectric.





Table A - Financial indicators ⁽¹⁾

Green Bond 2018
Renewable projects + Refinancing

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Investment			Green bond proceeds allocated to the project in 2018 (mil euros)
						Currency	Value in currency (mil)	Equivalent in euro (mil) ⁽²⁾	
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	Wind	Hand Over to Do	450	oct-19	USD	600	504	81
USA	Roadrunner	Solar	Hand Over to Do	497	sep-20	USD	436	366	30
GERMANY	Cremzow	Other	Under Construction	22	apr-19	EUR	17	17	9
GREECE	Kafireas	Wind	Under Construction	154	oct-19	EUR	300	300	64
COLOMBIA	El Paso	Solar	Under Construction	86	mar-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	124	104	5
USA	Chisholm View II	Wind	In Operation	65	dec-16	USD	90	76	29
Total									575

(1) The 2018 projects are highlighted in black and 2018 projects considered refinancing are in blue.

(2) Indicative value in euros (EUR), although the investment in US dollars (USD) applies where present. The exchange rate used is 1.19 USD/EUR for project allocated in 2018 green bond.

Table B - ESG indicators

Green Bond 2018
Renewable projects + Refinancing

Country	Project name	2018 production (GWh) ⁽¹⁾	CO ₂ avoided 2018 (t)	2018 production attributable to GB (GWh)	2018 CO ₂ avoided attributable to GB (t)	Expected annual product. (GWh) ⁽²⁾	Expected CO ₂ avoided (t)	Expected annual production attributable to GB (GWh)	Expected CO ₂ avoided attribut. to GB (t)
USA	Diamond Vista	n.a.	n.a.	n.a.	n.a.	1,317	891,539	391	264,944
USA	Fenner Repowering	n.a.	n.a.	n.a.	n.a.	78	52,885	68	46,273
USA	High Lonesome	n.a.	n.a.	n.a.	n.a.	1,602	1,083,921	258	174,483
USA	Roadrunner	n.a.	n.a.	n.a.	n.a.	1,154	781,089	96	64,822
GERMANY	Cremzow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
GREECE	Kafireas	n.a.	n.a.	n.a.	n.a.	483	317,105	102	67,121
COLOMBIA	El Paso	n.a.	n.a.	n.a.	n.a.	176	106,280	162	97,767
USA	Aurora	189	127,661	140	94,806	n.a.	n.a.	n.a.	n.a.
USA	Little Elk	333	225,424	17	11,485	n.a.	n.a.	n.a.	n.a.
USA	Chisholm View II	230	155,609	89	60,126	n.a.	n.a.	n.a.	n.a.

n.a. not applicable

(1) For projects entered into operation by September 30, 2018, the actual production data are reported and consequently the amount of CO₂ avoided.

(2) For projects that entered into operation after September 30, 2018 or which have not yet entered into operation, the expected annual production data and the expected amount of CO₂ avoided are reported.

Table C - Further ESG indicators

Green Bond 2018
Renewable projects + Refinancing

Country	Project name	Water consumption (m³)	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatal and "high consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Diamond Vista	90,200 ⁽¹⁾	-	-	-	-	-
USA	Fenner Repowering	27 ⁽¹⁾	-	-	-	-	-
USA	High Lonesome	n.a.	-	-	-	-	-
USA	Roadrunner	n.a.	-	-	-	-	-
GERMANY	Cremzow	n.a.	-	-	-	-	-
GREECE	Kafireas	14,430 ⁽¹⁾	-	-	-	1	6,000
COLOMBIA	El Paso	8,004 ⁽¹⁾	2	-	-	2	1,284
USA	Aurora	-	3	-	-	2	720
USA	Little Elk	65 ⁽²⁾	-	-	-	-	-
USA	Chisholm View II	57 ⁽²⁾	-	-	-	1	100

n.a. not applicable

(1) For plant not yet entered into operation by September 30, 2018 the figures refer to water consumption related to under construction phase.

(2) For plant entered into operation by September 30, 2018 the figures refer to water consumption are related to operation phase.





Table A - Financial indicators

Green Bond 2018
Infrastructure and Networks projects

Country	Projects cluster	Cluster	Status	Investment in currency (mil)	Green bond proceeds allocated to the project in 2018 (mil euros)
ITALY	Smart meter	Asset Development	(1)	n.a.	46
ITALY	Smart grid	Asset Development	(2)	n.a.	21
ITALY	Quality&Efficiency	Asset Development	(2)	n.a.	305
ITALY	Other ICT Investment	Asset Development	(2)	n.a.	52
Total Asset Development				824	424
ITALY	Maintenance	Asset Management	(2)	n.a.	205
ITALY	Maintenance	Asset Management	(2)	n.a.	37
Total Maintenance				452	242
Total Asset Development and Asset Maintenance Italy				1,276	665

n.a. not applicable

(1) As at December 31, 2018 the final figures of the project consisted of approximately 420 million euro of meters and concentrators entered into operation in the same month as the installation and about 26 million euro 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

Green Bond 2018
Infrastructure and Networks projects

Italy	Cabling (%)	Network automation (%)	Oil equipment with PCB removed (no.)	Integrated smart meters (no.)	Renewable production units connected to network (no.)	New "users" connected to network (no.)	Technical network losses	CO ₂ avoided (t)
Total Asset Development	n.a.	n.a.	n.a.	31,400,000	48,481	202,759	n.a.	14,670
Total Maintenance	75	36	304	n.a.	n.a.	n.a.	4	

n.a. not applicable

Table C - Further ESG indicators

Green Bond 2018
Infrastructure and Networks projects

Country	Injuries (fatal and "high consequence") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)	Biodiversity projects (no.)
Italy	3	158	36,482	6

Table D - Overall information

Criterion	Indicator	GB 2018 data/approach
Respect for human rights standards and prevention of breaches	Number and description of the reports identified through the Enel monitoring system	No reporting on projects financed with GB revenue.
	Results of risk analysis on human rights at country level	The analysis conducted in the Group's countries of presence highlighted an average risk perceived as "acceptable" and "high priority" ¹ . The Group human rights practices and policies were subsequently assessed as "robust" ² . However, specific action plans have been developed for each country of presence as well as a centrally managed improvement plan to harmonize and integrate processes and policies defined at the global level and applied at local level.
Respect for labor rights	Number and description of the reports identified through the Enel monitoring system	No reporting on projects financed with GB revenue.
	Results of risk analysis on human rights at country level	The analysis conducted in the Group's countries of presence highlighted an average risk perceived as "acceptable" and "to be monitored" ¹ . The Group human rights practices and policies were subsequently assessed as "robust" ² . However, specific action plans have been developed for each country of presence as well as a centrally managed improvement plan to harmonize and integrate processes and policies defined at the global level and applied at local level.
Working conditions (employment relationships, training, health and safety conditions, respect for working hours)	Number of injuries (fatal and "high consequence")	No reporting on renewable projects financed with GB revenue and 3 "high-consequence" injuries in Infrastructure and Networks in Italy.
Integration of environmental and social factors into the supply chain - Responsible purchasing	Ethical clauses in contracts with suppliers	Through the General Contract Conditions, Enel requires its contractors and subcontractors, among other things, to comply with the ten principles of the United Nations Global Compact, respect for and protection of internationally recognized human rights, as well as respect for ethical and social obligations regarding the fight against child labor and protection of women, equal treatment, prohibition of discrimination, freedom of association, association and representation, forced labor, safety and environmental protection, sanitary conditions and also regulatory conditions, retribution, contributions, insurance and tax.
Business ethics (prevention of corruption and money laundering, fraud, anticompetitive practices)	Number and description of the reports identified through the Enel monitoring system	No reporting on projects financed with GB revenue.
Audit and internal control	% of area/country processes covered by internal audit activities	The average annual coverage level of the processes through internal audit activities is equal to 43% for Renewables and 53% for Infrastructure and Networks in Italy.

(1) Average perceived risk: average of perceived risk levels identified in the countries being analyzed. Reference scale of risks: 1. High risk; 2. High priority risk; 3. Risk to be monitored; 4. Acceptable risk.

(2) Reference scale of performance values: Robust (75%-100%); Good (50%-75%); Sufficient (25%-50%); Needs improvement (0%-25%).



Report on the examination of the Green Bond Report



Enel S.p.A.

**Report on the Green Bond Report attached to the
Sustainability Report of Enel Group for the year
ended on December 31, 2018**

(Translation from the original Italian text)

Independent Auditors' report on the Green Bond Report of Enel S.p.A. attached to the Sustainability Report of Enel Group for the year ended on December 31, 2018

(Translation from the original Italian text)

To the Board of Directors of
Enel S.p.A.

We were engaged to perform a limited assurance engagement on the accompanying Green Bond Report of Enel S.p.A. (the "Company"), which comprises the tables of financial indicators, ESG indicators, further ESG indicators and overall information and the "Reporting Criteria" note, prepared to comply with the reference principles established in the Enel Group Green Bond Framework dated December 2016 and December 2017. The Green Bond Report is attached to the Sustainability Report of Enel Group for the year ended on December 31, 2018 (the "Sustainability Report 2018").

Management's responsibility

Management is responsible for the preparation of the Green Bond Report in accordance with the criteria described in the "Reporting criteria" note, and for the internal controls as management determines is necessary to enable the preparation of a Green Bond Report that is free from material misstatement, whether due to fraud or error.

Independence and quality control

We have complied with the independence and 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 behavior.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditors' responsibility

Our responsibility is to express a conclusion on the Green Bond Report based on our limited assurance engagement. We conducted our limited assurance engagement in accordance with the provisions of the standard "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised") issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain limited assurance whether the Green Bond Report is free from material misstatement.

The procedures we performed were based on our professional judgment and included inquiries, primarily of persons responsible for the preparation of the Green Bond Report, as well as inspection



of documents, recalculation, agreeing or reconciling with underlying records and other evidence-gathering procedures that are appropriate in the circumstances.

Our limited assurance engagement also includes:

- (i) meeting with Enel's personnel involved in the preparation of the Green Bond Report;
- (ii) assessing, through inquiries with Enel's personnel, the procedures followed to collect, aggregate and report the financial indicators and the ESG indicators included in the Green Bond Report;
- (iii) performing limited test of details to verify that the data used in the preparation of the Green Bond Report are consistent with the information and documentation held by the companies of the Enel Group.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ISAE 3000 revised and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Conclusion

Based on the procedures we have performed, nothing has come to our attention that causes us to believe that the Company's Green Bond Report attached to the Sustainability Report 2018 is not prepared, in all material respects, in accordance with the criteria described in the "Reporting criteria" note.

Basis for preparation

Without modifying our conclusion, we draw attention to "Reporting criteria" note to the Green Bond Report, which describe the basis for preparation. The Green Bond Report is prepared for the purposes described in the first paragraph. As a result, the Green Bond Report may not be suitable for another purpose.

Rome, May 7, 2019

EY Sp.A.
Signed by: Massimo Antonelli
(Partner)

This report has been translated into the English language solely for the convenience of international readers.