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Tax Transparency Report
Enel Group

May 2021

We firmly believe that tax transparency favors sustainable development

Companies, today more than ever, must play an important role by contributing to the economic, social and sustainable progress of the countries in which they operate. This contribution, in addition to the investments made, job opportunities and adequate long-term growth, is also directly linked to a fair tax contribution and transparency as a factor that favors sustainable development.

In times of crisis, such as the COVID-19 pandemic, taxes are even more central to government policies to support those extraordinary measures aimed at limiting the effects on the economic and social system.

The adoption of a clear and public tax strategy, a solid tax risk management & control system and our constant commitment to transparency towards the tax authorities and all stakeholders concretely underline the importance that Enel Group attributes to the fiscal variable and the role it plays on the sustainable development in our society.

With this third Report on Tax Transparency we continue our path, making tax information even more in-depth and, at the same time, by providing an instrument that helps the measurement of our active support for the sustainable development of the countries in which we operate.

Alberto De Paoli

Chief Financial Officer, Enel Group

Contents

1. Enel’s Tax Strategy, Governance and Principles

Tax Transparency approach

Enel is an industrial group whose main activity involves energy generation, distribution and sales. The choice of countries where the Group operates is guided by business assessments.

Tax strategy

Since 2017, the Enel Group has adopted a tax strategy, as a set of principles and guidelines inspired by values of transparency and legality, which is published on the website: www.enel.com. The Group's subsidiaries are required to adopt the tax strategy approved by the Parent Company, thereby assuming the responsibility of ensuring it is acknowledged and applied.

Tax strategy objectives

Enel S.p.A's **Board of Directors** sets out the tax strategy of the entire Group, with the aim of ensuring uniform tax management for all entities involved. The strategy is underpinned by the following approach:

- ✓ correct and timely determination and settlement of taxes due under the law and implementation of the respective obligations;
- ✓ correct management of the tax risk, which is the risk incurred for the violation of tax rules or abuse of the principles and purposes of the tax system.

Tax Transparency approach

Tax strategy principles

The tax strategy principles are the guidelines for Group companies, underpinning their business operations when managing the fiscal variable. The principles also require suitable processes to be adopted to ensure their effectiveness and application.

Values	In line with its sustainability strategy, the Group acts in accordance with the values of honesty and integrity in its tax management, being well aware that tax revenue is one of the main sources of contribution to economic and social development of the countries where it operates.
Legality	The Group pursues behavior geared towards compliance with the applicable tax rules and is committed to interpreting them in a way that respects both the substance and form.
Tone at the top	The Board of Directors has the role and responsibility of leading the dissemination of a corporate culture based on the values of honesty and integrity and the principle of legality.
Transparency	The Group maintains collaborative and transparent relations with tax authorities, enabling them - among other things - to gain a full understanding of the facts underlying the application of tax rules.
Shareholder value	The Group considers tax to be a business cost and, as such, believes that it must be managed in compliance with the principle of legality, with the aim of safeguarding the Group's assets and pursuing the primary interest of creating value for shareholders in the medium to long term.

Tax Transparency approach

Governance

Enel S.p.A ensures that the tax strategy is acknowledged and applied within the Company through the governance bodies. Its interpretation is left to the Parent Company, through the Tax unit, which also manages its periodic updates.

Compliance

The Group entities must respect the principle of legality, by swiftly applying the tax laws of the countries where the Group operates, to ensure that the wording, spirit and purpose of the applicable tax rule or system is respected. Moreover, Enel Group does not undertake behaviors or domestic or cross-border operations that result in purely artificial constructions, that do not reflect the economic reality and from which it is reasonable to expect undue tax advantages, where they conflict with the purpose or spirit of tax provisions or system in question and give rise to double deduction, deduction/non-inclusion or double non-taxation, including as a result of any divergence between the tax systems of different jurisdictions.

Tax Transparency approach

Intercompany transactions

All intercompany transactions follow a transfer pricing policy, which has been adopted by the Enel Group in line with the arm’s length principle, an international standard established by the Model Tax Convention and referred to in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (hereinafter also referred to as the “OECD Guidelines”). Intercompany relations are structured at market prices and conditions, ensuring value creation in the places where the Group conducts its business.

Enel Group, in line with the applicable regulations, encourages the signing of rulings (Advance Pricing Agreements – APAs) with local tax authorities on establishing transfer pricing determination methods, on attributing gains and losses to permanent establishments and on applying rules on cross-border flows between Group entities.

For **intercompany financial transactions**, Enel Group has adopted a centralized finance model for its subsidiaries, which requires the Group’s two financial companies, Enel Finance International (EFI) and Enel Finance America (EFA), to centralize part of the treasury activities and access to financial markets, and to act as the primary point of reference for the management of the financial or liquidity needs generated by operating entities.

As such, the Group has put internal policies in place to support the methods set out in the OECD Guidelines, which provide for the application of the Comparable Uncontrolled Price - CUP method (which compares the price of goods and/or services transferred in a transaction concluded between associated companies with the price applied in transactions between independent third parties).

Tax Transparency approach

Low-tax jurisdictions

The Group does not invest in or through countries considered to be tax havens for the sole purpose of reducing its tax burden. Such investments may only be proposed if they are supported by sound economic/strategic reasons and have the aim of developing the activities included in the Group's corporate purpose.

If, in circumstantial situations (for example, in the event of third-pay purchases of a group of companies), structures were found to have been created for the sole purpose of reducing the tax burden or in areas deemed to be tax havens, the Group – failing any viable economic/strategic reasons other than mere tax savings – will commit to removing such structures as quickly as possible.

Tax incentives

Tax incentives are a key, development-oriented mechanism for economic policy, which countries use to stimulate growth and attract investment to support the national policy. The use of tax incentives generally results in a reduction of long-term tax liabilities. Some countries where the Enel Group operates offer various incentives. Enel Group only uses widely applicable tax incentives for all operators, respecting all specific regulations, where the incentives are in line with its industrial and operational objectives and are consistent with the economic substance of its investments.

Tax governance, control and risk management

Governance body

In Enel's organizational model, the Holding Company's Tax Affairs unit is tasked – among other things – with developing the Group's tax strategy, identifying, analyzing and managing the various optimization initiatives, monitoring the key tax issues and providing its support to the various Business Lines. Alongside the Holding Function, the Tax Affairs units of the various countries – acting in accordance with the values and principles of the tax strategy set out by the Holding Company – are responsible for managing compliance, tax planning and tax monitoring at local level.

The Tax units must be 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 overseeing performance. For this purpose, specific and ongoing training initiatives on tax issues at both country and global level are set up, with recurring meetings between all of the Group's Tax Managers in order to ensure the appropriate alignment.

Organization

The Enel Group has adopted a set of rules, procedures and standards which are part of the Group's wider organization and control system and which are considered key points of reference that all parties, depending on their type of relationship with the Group, are required to observe[1]. The various policies and procedures applicable both at Group level and country level govern the activities, as well as their management procedures and Tax Affairs responsibilities including in relation to other corporate Functions. These documents are published on the company Intranet and are accessible to all Enel people; they form the general rules of conduct applicable within the Group when carrying out activities. Specifically in relation to taxation, in addition to the tax strategy there are specific organizational documents – both at global and local level – regarding the processes of tax compliance, tax planning, tax monitoring, transfer pricing and tax risk management.

[1]For example: Code of Ethics; Zero Tolerance of Corruption Plan; Enel Global Compliance Program (EGCP), corporate policies, models and procedures; the tax strategy; the Internal Control and Risk Management System; the proxy system; the sanctions system referred to in the applicable CCNL (national collective bargaining agreement); any other documentation relating to the current control systems; the relevant accounting standards; procedures and IT applications.

Tax governance, control and risk management

Tax risks

The Group has a Tax Control Framework (TCF) whose main aim is to provide the Tax units with a single and consistent set of guidance for adopting a correct and effective approach to tax risk management within the Group. The framework sets out guidelines and methodological rules so as to consistently assess, monitor and manage the relevant tax risk for the Group companies, in accordance with the principles and guidelines set out by the tax strategy and Tax Risk Policy, and in the awareness that the Group companies operating in different jurisdictions must adopt the TCF with respect for the specific corporate context and domestic regulations of each individual country in question. In this regard, the Group has adopted a Tax Risk Policy whose main objective is to provide unambiguous and consistent guidance to the tax units when implementing the TCF at local level.

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In accordance with the established principles and guidelines, Enel Group aims to proactively manage the tax risk and believes that adopting a TCF can ensure the timely detection, correct measurement and control of the risk tax.

The task of the TCF is to identify the sources of tax risk for the purpose of compliance interpreting tax regulations, while mapping out the respective processes and activities in order to form a network of risk detectors, to be associated with the resulting control measures. In particular, as the set of detectors and control measures identify sources of risk, the TCF can perform a broad spectrum of control. As such, any materialization of the tax risk can be intercepted and managed by each Tax unit in question.

The effectiveness and ongoing updates of the TCF are ensured through periodic monitoring of the risk mapping, regular internal audit processes, as well as through the tax authority systems set out under cooperative compliance regimes (where implemented).
The results from the monitoring of tax risks are periodically brought to the attention of the competent Functions and corporate bodies, including to establish the most appropriate way to mitigate such risks. With regard to significant uncertain tax positions, reference should be made to the information and comments provided in the Integrated Annual Report 2020.

Mechanism for stakeholder reports

For the Enel Group, tax compliance is considered a key aspect of the Company’s ethical and responsible management. As such, the violations that can be reported through the Company’s internal channels also include those relating to tax. The Group’s Code of Ethics is the framework of “ethical management” in which Enel operates, also tying in fully with the tax strategy. There are appropriate provisions on Code of Ethics violations to ensure its effective implementation, and these requirements must also be considered to cover the provisions of the tax strategy

Transparent relationship with stakeholders

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, 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” which is divided into: Master File, Local File and Country-by-Country Report. Moreover, to avoid double taxation, the Group promotes mutual agreement procedures for the settlement of international disputes (Mutual Agreement Procedure – MAP), which have the direct involvement of tax authorities from the contracting countries. Lastly, Enel consistently acts with a transparent and collaborative approach with all institutions and associations to support the development of effective tax systems in the various countries where it operates.

In 2019, Enel joined the European Business Tax Forum (EBTF), an association that aims to facilitate the public debate on taxation by providing a balanced and comprehensive perspective of the taxes paid by companies. This aim is pursued, in particular, by providing information and tax data to the various stakeholders. The Forum has published two studies relating to the EU/EFTA Total Tax Contribution for the years 2018 and 2019, which are available on the association’s website (ebtforum.org) and which report the aggregate data for the various types of taxes paid by the largest European multinational companies by turnover and/or by stock market capitalization, as well as, for the year 2019, a dedicated section with Country-by-Country Reporting.

2. Context and methodology

SustainabiliTax

Context

In the current economic and social context, tax transparency and the commitment by companies in reporting their impacts on the economic conditions of stakeholders and on economic systems at national and global level are becoming increasingly important. Many international organizations are also focusing their attention on sustainability by promoting numerous initiatives in order to encourage tax transparency.

GRI Standards

In this direction, the Global Sustainability Standards Board (**GSSB**) of the Global Reporting Initiative[1] (**GRI**) has defined globally accepted standards for sustainability reporting (**GRI Standards**), designed to be used by organizations in order to report their impacts on the economy, on the environment and on the society as a whole.

The GRI Standards are in continuity with other widely recognized international standards, such as the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Conventions and the OECD Guidelines for Multinational Enterprises and Tax Administrations.

Among the different Standards, the GSSB has defined one that specifically addresses the issue of taxes as part of the sustainability strategy, i.e. **GRI 207: Tax**.

In particular, the GRI 207 standard, effective from **1st of January 2021**, defines the public reporting requirements on taxation and requires the description of the organizations' approach to governance and tax strategy and the publication of **financial, economic and tax-related** information for each jurisdiction in which an organization operates (**Country-by-Country Reporting**).

In addition GRI 207, in the section “Disclosure 207-4”, recommends the publication of some information regarding the **Total Tax Contribution** for each jurisdiction in which an organization operates.

Public reporting on tax matters increases transparency by promoting trust and credibility in tax practices adopted by organizations and tax systems. It enables stakeholders to make informed judgments about an organization's tax positions and supports the development of a socially accepted tax policy.

[1] https://www.globalreporting.org/how-to-use-the-gri-standards/resource-center/

SustainabiliTax

United Nations - Agenda 2030

In 2015, the **UN** approved the **Agenda 2030** for sustainable development, an action plan for people, planet and prosperity.

The 2030 Agenda for sustainable development defines **17** Sustainable Development Goals (**SDGs**) - to be achieved by 2030, divided into 169 goals, which represent a guiding “compass” for the countries on the path towards sustainable development.

In this regard, the GSSB in the document "Linking the SDGs and the GRI Standards"[1], has identified **SDGs** 1 "**No Poverty**", 10 "**Reduced Inequalities**" and 17 "**Partnerships for the Goals**" as objectives related to GRI 207.

Therefore, the publication of this **Tax Transparency Report**, which includes the information required by GRI 207, represents Enel's commitment to achieving SDGs 1, 10 and 17 as an integral part of its sustainability strategy.

[1] Available at: https://www.globalreporting.org/media/lbvnxb15/mapping-sdgs-gri-update-march.pdf
[2] Available at: http://www3.weforum.org/docs/WEF_IBC_Measuring_Stakeholder_Capitalism_Report_2020.pdf

WEF - Sustainable Development Impact

In September 2020, during the fourth edition of the Sustainable Development Impact Summit, the International Business Council of the World Economic Forum (**WEF**) announced a series of measures in relation to the environmental, social and governance commitments of organizations - Environmental, Social, Governance (**ESG**).

In this context, the document entitled "Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation"[2] aims to improve the way organizations measure and represent their contribution to the ESG.

The document identifies a series of qualitative and quantitative metrics based on four pillars, with the aim of encouraging the convergence, simplification and standardization of non-financial reporting. The four pillars are:

- **Principle of governance:** related to corporate governance.
- **Planet:** related to environmental impacts.
- **People:** related to the importance of employees for organizations.
- **Prosperity:** related to the impact on society, including the payment of taxes.

Within the "**Prosperity**" pillar, one of the main metrics is represented by taxes, both as taxes paid representing a cost (**taxes borne - core metric**) and as taxes collected (**taxes collected - expanded metric**) for each country in which the organization operates.

SustainabiliTax

Purpose and scope of the report

Acting with honesty and integrity is one of the main cornerstones of our tax strategy, as is our commitment to transparency.

In this context, Enel has decided to publish this **Tax Transparency Report**, in which the data of the **Country-by-Country Report** are integrated with the detail of the **Tax Contribution**[1] in the main economies in which the Group operates, with the aim of underlining the importance that the Group attributes to tax related topics, to their social role and, in general, to transparency as a factor that facilitates sustainable development.

In fact, the Group believes that this integrated 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.

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 tax position.

As of 2018 (years 2018-2017) Enel has adopted a Total Tax Contribution model for the main countries where it operates, providing evidence of the taxes paid and withheld.

Beginnig on 2020, on the other hand, Enel has adopted the integrated model of this Tax Transparency Report. This is prepared consistently with the rules provided for under the **OECD Country-by-Country Report**[2] and includes information and data for Total Tax Contribution in the main countries where Enel operates. This model is fully aligned with GRI 207 1-4 (Management approach disclosures and Topic-specific disclosures - Country-by-country reporting)[3] and also includes the metrics relating to the taxes paid of the WEF "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation"(core and expanded).

The data presented in this report relate to the **2020 period**.These data, together with analyses of contribution profiles and specific indicators, have been compared with the same data for **2019**[4] by analyzing the trend resulting from this comparison.

The way in which tax information is presented in this report is intended to make it more versatile and easier to read, in order to meet the various parameters required by stakeholders.

[1]This report analyzes and presents country-by-country reporting data for each jurisdiction in which the Enel Group operates. For the purposes of the Total Tax Contribution, on the other hand, the data of the 16 main countries where Enel has its presence are analyzed (i.e. Italy, Spain, Brazil, Chile, Colombia, Argentina, Peru, Romania, Russia, USA and Canada, Panama, Netherlands, Mexico, Guatemala and Costa Rica), which represent more than 98% of the Group's revenues and 99% of the income taxes paid.

[2] Beginning on 2018, the Enel Group presented the Country-by-Country Reports for the years 2016, 2017, 2018 and 2019. This was by way of transmission thereof to the Italian Agenzia delle Entrate which in turn supplied them to the other States with which an agreement is in force for the exchange of information, in compliance with the indications of Action 13 of the BEPS project, as amended. Action 13 is a project in which the OECD and the countries of the G20 have participated to reply in a coordinated and shared manner to the strategies of aggressive tax planning put in place by multinational companies with a view to “artificially shifting” prots in jurisdictions characterized as tax havens.

[3]In 2019, one year before the entry into force of the standard, the Group published the information required by GRI 207 1-3.

[4]It should be noted that compared to the report “Total Tax Contribution Enel Group - 2019” some methodological changes have been introduced in order to prepare this Tax Transparency Report in line with the rules provided for the OECD Country-by-Country Report. The data relating to 2019 shown in this report may therefore not correspond to the data presented in the report "Total Tax Contribution Enel Group - 2019".

Methodology

The **Tax Transparency Report** is built on **Country-by-Country Reporting** and Total Tax Contribution Framework **(TTC Framework)**.

The **TTC Framework** is universal and aims to provide a concise and immediate overview of the taxes paid by the Group in the jurisdictions where it operates. It is structured in a simple, non-technical way, and therefore relatively easy to understand for those with limited knowledge of tax complexities. It includes **indicators** and **benchmarks** explaining the overall and significant tax contributions of the Group.

The Tax Transparency Report adopts the **cash criterion** as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution.

The total tax data, as defined and detailed in the following, is determined through the various taxes paid[1] 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.

The Tax Transparency Report, in line with the approach adopted by the OCED[2] and the the TTC Framework is built around two essential criteria:

- **the definition of tax;**
- the classification of the different taxes into categories by differentiating between taxes that constitute an expense for a company (**taxes borne**) and those that the company pays due to rebate mechanisms, substitution etc. (**taxes collected**) but that, at any rate, are the result of the company’s own economic activities.

The key points to be borne in mind of the methodology adopted are the following:

[1] The data for taxes paid includes payments on account, taxes related for previous years, including after assessments, net of refunds obtained. Interest and penalties are not considered.

[2] Working Paper no. 32, “Legal tax liability remittance responsibility and tax incidence”.

Methodology

1. The definition of tax and the differentiation between taxes which are a cost to Enel Group and taxes collected by Enel Group

Tax payments to public administrations which, given their characteristics, are in fact taxes are considered taxes even if, for historical or circumstantial reasons, they are not classified as such.

Taxes borne: these are a direct costs for Enel. These are the taxes that Enel has paid to the tax authorities of various jurisdictions, i.e. profit taxes, social contributions, property taxes, etc.

Taxes collected: these are the taxes that have been paid as a result of economic activities of Enel, but do not constitute a cost for Enel. In this case, Enel collects taxes from other parties on behalf of governments (i.e. income taxes collected from employees under a payroll system). Nevertheless, these taxes should be taken into consideration during the calculation of Total Tax Contribution of Enel, considering these amounts result from the activities of the Group.

The sum of **taxes borne** and **taxes collected** gives the **Total Tax Contribution (TTC**) a measurement of the Group's effective tax contribution in the jurisdictions where it operates.

Some taxes can be considered either as taxes borne or as taxes collected on the basis of their nature (i.e. irrecoverable VAT is considered as a tax borne and net VAT, which accounts for taxes incurred on products/services supplied by Enel, is considered as a tax collected) or from their incidence (i.e. stamp duty paid by the company is a tax borne, while stamp duty withheld from customers of a company is a tax collected).

From this point of view, the Total Tax Contribution methodology follows the approach adopted by the OECD, which highlights the importance, in the tax system, of the role played by business groups, both as contributors of taxes that imply a cost (so-called "Legal Tax Liability") and as "collectors" of taxes on behalf of third parties (so-called "Legal Remittance Responsibility") as described in the aforementioned Working Paper no. 32.

Methodology

2. TTC Framework classifies taxes under 5 categories for clarification purposes

Total Tax Contribution has been used by companies in different jurisdictions. Since taxes have different names in different countries, PwC TLS has identified the following five tax bases under which taxes, both borne and collected, can be categorized - “**the five P’s**”.

Profit taxes[1]: this category includes taxes on company profits, that can be both borne (e.g. corporate income tax that may be levied on State or local level, trade tax on business profits, solidarity surcharge, as well as taxes withheld at source) and collected, in the case where they are applied to a third party or to a physical person (e.g. withholding taxes on interest income, royalties, subcontractors and suppliers);

Property - Property taxes: taxes on the ownership, use or transfer of tangible or intangible property. This category includes both taxes borne (e.g. taxes on ownership and use of property; capital tax levied on share capital increase; transfer taxes on the acquisition or disposal of assets; net wealth and capital transactions; registration duties, stamp duties related to transfer of real estate; stamp duty on share transfers; tax on financial operations levied on transactions involving foreign loans or financing, etc.), and taxes collected (e.g. rental of business duty collected by the leaser and paid to the government);

People – Employment taxes: this category generally includes taxes on employment, including those on income tax and social security payments. Taxes levied on the employer are considered taxes borne (e.g. social security contributions, health insurance, pensions, disability contributions), while taxes levied on the employee are considered as taxes collected (e.g. personal income tax or social security contributions levied on the employee which are normally withheld by the employer);

Products - Taxes on products and services: Indirect taxes levied on production, sale or use of goods and services, including taxes and duties levied on international trade and transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, notwithstanding that these may be paid to the supplier of the goods and services, rather than directly to the government. This category includes both taxes borne (e.g. consumption tax; tuornover tax; excise duties; customs duties; import duties; taxes on insurance contracts; taxes on the use and ownership of motor vehicles; unrecoverable VAT) and taxes collected (e.g. net VAT paid);

Planet - Environmental taxes[2]: taxes levied on the supply, use or consumption of goods and services considered harmful to the environment. Examples of taxes borne are: taxes on the value of the electricity production, taxes on the production of nuclear fuels and carbon tax and of taxes collected: tax on electricity and tax on hydrocarbons.

[1] In line with the reporting criteria applied to Revenues and to Profit (Loss) before taxes explained below, the data solely for income taxes paid excludes the portion of same concerning dividends paid by the companies within the scope, as also indicated by the OCSE in the report “*Guidance on the Implementation of Country-by-Country Reporting*” published in December 2019, point II,7.

[2] The classification of taxes as environmental is based on the definition agreed upon for the purposes of the harmonized statistical framework developed jointly, in 1997 by Eurostat, the European Commission, the Organization for Economic Cooperation and Development (OECD) and the International Energy Agency (IEA) according to which environmental taxes "*are taxes whose base is a physical unit (or a proxy of a physical unit) of something that has a proven, specific, negative impact on the environment All taxes on energy and transport are included and all value added type taxes are excluded”.*
Source: https://stats.oecd.org/glossary/detail.asp?ID=6437

Methodology

3. The special characteristics of Value Added Tax and equivalent taxes are taken into account

Value added tax (and equivalent taxes) is classified as a tax on products and services collected, and its amounts reflects the net payments made by Enel to the tax authorities in the corresponding period.

In light of the way in which VAT works, the figure presented in this report is the difference between VAT payable and the deductible input VAT. The portion of input VAT paid to suppliers but non-deductible for the purposes of the relevant VAT legislation is considered as tax borne on products and services, since it represents a cost for the Group.

4. Main Assumptions made during the preparation of this Report

- **Perimeter:** 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 by the Ultimate Parent Entity (Enel S.p.A.)[1]. With reference to the list of companies in the Group and their activities, please refer to the specific prospectus in the Integrated Annual Report 2020.
- **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, pre-tax profit, taxes accrued and taxes paid) have been converted into euro at the average exchange rate of the currency, while balance sheet data (tangible fixed assets) have been converted into the euro at the exchange rate in force at year’s end.

[1] However, the companies consolidated using the equity method are excluded. Furthermore, the data of Permanent Establishments are reported in the jurisdiction of their operations and not in the jurisdiction of residence of associated companies. Therefore, the data of the latter do not include the data of the Permanent Establishment. Finally, all Stateless companies of the Enel Group are flow-through entities incorporated in the same Country in which income is imputed and is effectively taxed in the partner company (e.g. the United States).

- **Source of economic and financial data:** the data represented in the report are expressed on the basis of IFRS-EU accounting principles adopted by the Group and are at stand-alone entity level. Subsequently, these are aggregated by tax jurisdiction. To take account of intercompany relations, the data are represented according to logic of aggregation by tax jurisdiction (that is, the Country in which the entities are resident for tax purposes and with fiscal autonomy) and not a logic of consolidation.
- **Rounding**: Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated..

Methodology

5. Key tax contribution indicators included in theTax Transparency Report

- **Current Income Tax Rate:** it represents the incidence of the current tax expense (accounted for) on the profit or loss for the year and is determined as the ratio between corporate income taxes accrued on profit/loss (**Current taxes**) and the profit before income tax (EBT).
- **Cash Tax Rate:** it represents the incidence of the tax expense, expressed in terms of taxes paid, on the profit or loss for the year and is determined as the ratio between **corporate income taxes paid** and the profit before income tax (EBT). It indicates the portion of profit before income tax allocated to the payment of income taxes.
- **Effective Tax Rate (ETR)**: it represents the incidence of the tax expense (accounted for) on the profit or loss for the year and is determined as the ratio between corporate income taxes accrued on profit/loss (**Current Taxes**) and the profit before income tax (EBT). Differently from the Current Income Tax Rate, in addition to current taxes, taxes also include (i) any provision for tax debts that are not yet certain as regards either their amount or existence, (ii) adjustments for income taxes relating to prior years, and (iii) prepaid/deferred taxes.
- **Total Tax Contribution Rate (TTCR)**: it provides a concise and complete measurement of the expense for all taxes that the business has effectively paid and is calculated as a percentage of **total taxes borne** in relation to profit before said taxes. It indicates the portion of profit before taxes borne allocated to the payment of taxes that represent a cost for the Group.
- **TTC with respect to Revenues (turnover)**: it reflects the extent of the contribution made by the Group in relation to the size of its business and is determined as the ratio between **Total Tax Contribution (TTC)** and the revenues. It indicates the portion of revenues allocated to the payment of taxes, both borne and collected.

As mentioned above, the economic and financial data included in this report are expressed on the basis of the **IFRS-EU** accounting principles adopted by the Group.

However, Current Taxes and Taxes Paid are generally determined on the basis of a taxable income calculated starting from a Profit or Loss for the year under local generally accepted accounting principles ("**Local GAAP**").

The indicators listed above may therefore be affected by differences between the economic and financial data expressed on the basis of IFRS-EU, adopted for the purposes of this report, and those expressed on the basis of Local GAAP.

6. Minor Countries in which Enel operates in start-up and/or liquidation phase

In some of the **Minor Countries** in which it operates, Enel is present with entities that are in a **pre-operational** and/or **start-up phase** (i.e. France, Portugal, Greece, Australia, Morocco, South Africa, India, Norway, Sweden, Poland, Ethiopia, Kenya, Namibia, China, Indonesia, Singapore, Taiwan) and/or in a **liquidation phase** (i.e. Croatia, Serbia, Saudi Arabia). In these countries, the amount of current taxes accounted for in the financial statements and taxes paid is significantly affected by **tax losses**, which are characteristic of the business phases in which entities operating in these countries find themselves.

In fact, the start-up phase represents the initial moment when a new enterprise starts its activities and coincides with the period in which the enterprise incurs a series of initial costs and makes its main investments. During the liquidation phase, on the other hand, the enterprise has ceased operations and consequently does not produce any income.

Business Model

The Enel Group is present in different Countries in 5 continents. Each Country acts in the area of competence from a matrix perspective with respect to the Business Lines, managing activities such as relationships with the area, regulatory matters, the reference retail market and local communications. In order to provide a representation of the business activities carried out in each country according to the value chain, the descriptions of the various areas of activity are provided below:

Enel Green Power **Global Power Generation**	The Group operates through this Business Line to accelerate the energy transition, continuing to increase investments in new renewable energy capacity, and manages the decarbonization of its generation mix and the countries in which it operates, always aiming to ensure the safety and capacity of electrical systems.
Global Trading	This Business Line manages our integrated margin as a single portfolio in which Generation and Retail operations are always balanced effectively. In addition, the line manages all trading operations on international desks.
Global Infrastructure and Networks	In developing and operating infrastructure that enables the energy transition, the Group ensures the reliability in the supply of energy and the quality of service to communities through resilient and flexible networks, leveraging efficiency, technology and digital innovation, and ensuring appropriate returns on investment and cash generation.
End-user Markets	Through its sales relationships with end users, the Group interacts locally with millions of families and companies. Thanks to our technology, the platform model enables us to improve customer satisfaction and the customer experience, while at the same time achieving ever higher levels of efficiency. The business units optimize the supply of power to their customer base, maximizing the value generated by that resource and fostering long-term relationships with customers.
Enel X	This Business Line is enabling the energy transition by acting as an accelerator for the electrification and decarbonization of customers, helping them to use energy more efficiently, driving circularity and leveraging the assets of the Enel Group through the delivery of innovative “beyond commodity” services.

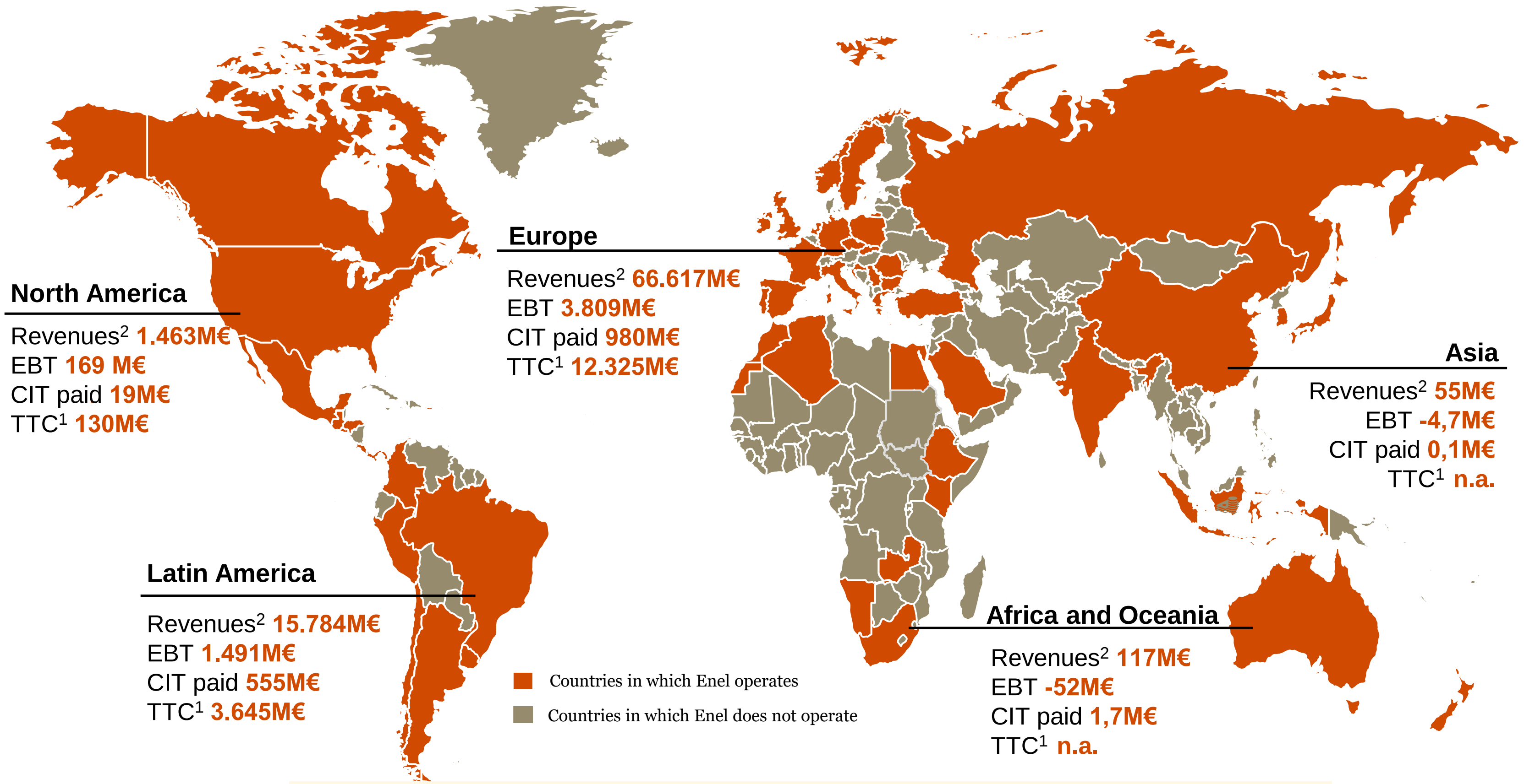
Group Holding Company **Country Holding company** **Services** **Finance**

3. Executive Summary

Enel Group – Key Figures 2020

Entities	1.079
Revenues[2]	84.037 M€
Tangible assets	80.941 M€
Profit before income tax - EBT	5.413 M€
Income tax accrued	2.147 M€
Income tax paid	1.555 M€
Taxes Borne[1]	4.245M€
Taxes Collected[1]	11.855M€
Employees	66.717

Countries in which Enel operates



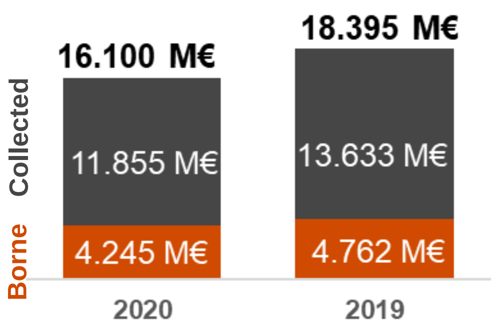
Enel's[1] total tax contribution (TTC) in 2020 is equal to **16.100 million euros** and it represents all the taxes paid by Enel worldwide (approximately 300).

[1]For the purposes of the TTC (taxes borne, taxes collected) the data of the **16 main countries** in which Enel operates are considered, which represent more than **98% of the Group's revenues** and **99% of the income tax paid**.
[2]The amount indicated is not a consolidated figure but it is the aggregation of third part revenues and cross-border intercompany revenues of the entities within the scope in the reference year. For a complete definition, please refer to the Glossary of the report.

The main indicators and trends of the Total Tax Contribution

Trends and indicators

TTC trend 2019-2020



Enel's Total Contribution in relation to other external economic indicators[1]

1% of Italy's GDP and **1.4% of Spain's GDP** forecast for 2020

2% of Italy's tax and social security revenues and **4% of Spain's** in 2019

10% of **Italy's current healthcare expenditure** and **14%** of **Spain's healthcare expenditure** in 2019

Enel's Total Tax Contribution **remains significant** also in **2020** (**16.100 million euros**), despite the difficult economic conditions deriving from the **COVID-19 pandemic**, the effects of which have reflected on the demand for electricity and gas and have led to a reduction in Group revenues of approximately **14.348 million euros** compared to **2019**.

Against a **15% reduction in revenues**, Enel's Total Tax Contribution fell by **12,5%.**

TTC to turnover

19,6%
TTC to turnover

5,2 %
Borne

14,4 %
Collected

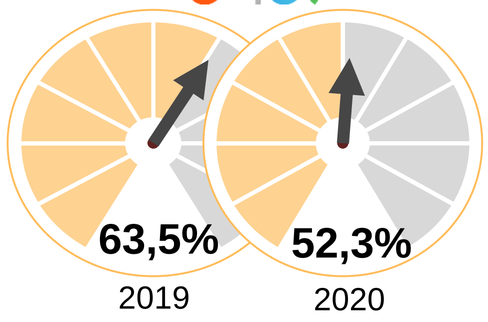
EBTF

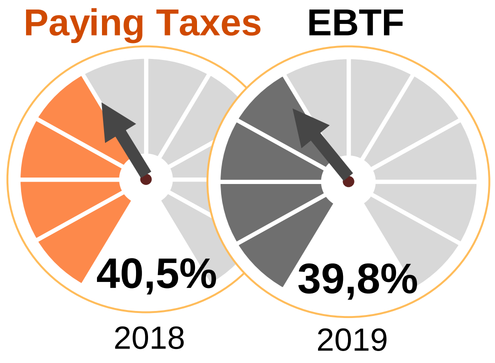
15,5%
average TTC to turnover in 2019

For every 100 euros of revenues generated, **19,6 euros** were used to pay taxes, of which **5,2 taxes borne** and **14,4 taxes collected**.

The TTC compared to Enel's revenues is higher than the average of the same indicator resulting from the **EBTF's**[2] TTC 2020 study, equal to **15,5%** and calculated on the basis of the tax contributions of the main companies with headquarters in Europe.

TTC rate





The **Total Tax Contribution Rate** provides a synthetic and complete measure of the burden for all taxes that the business has effectively paid and is calculated as a percentage of taxes borne compared to the profit before such taxes.

Enel's TTC rate is higher than the world's average TTC rate resulting from the **Paying Taxes 2020**[2] report issued by the **World Bank** and the average TTC rate resulting from the **EBTF's**[2] TTC 2020 report.

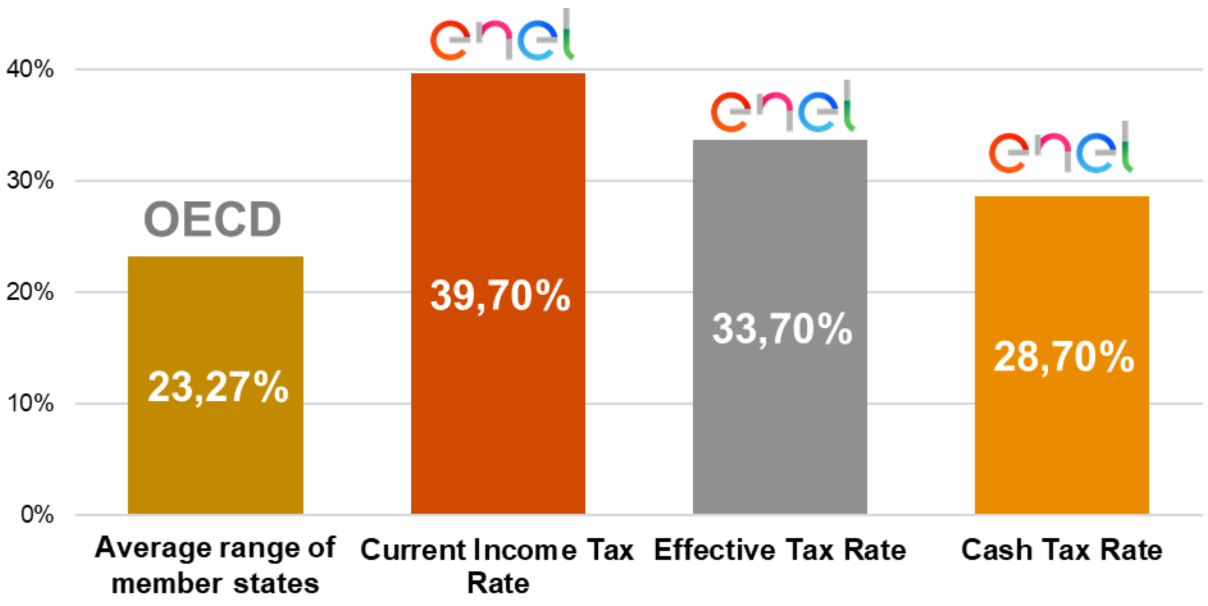
The **11,1%** reduction is due to the strong impact on the 2019 result of the impairment[3] carried out on the plants in relation to the decarbonization process.

[1]Source: https://stats.oecd.org/. Data on "Gross domestic product (GDP)", "Total tax revenue" and " Health expenditure and financing«.

[2]Paying Taxes 2020 and EBTF's TTC 2020 analyze data from 2018 and 2019, respectively. To this day, those are the most recent versions available.

[3]As a result of the strategy of progressive abandonment of coal-fired production, in Italy, Spain, Chile and Russia in 2019 significant write-downs of the value of the plants were made which, based on the tax laws of the countries, were not deducted during the year but they will be in subsequent years during their residual useful life.

Income Tax rates



Among the various existing indicators on corporate income taxes we analyze the following:

- The **Current Income Tax Rate** represents the incidence of the current (accounted for) tax expense on the profit or loss for the year and is determined as the ratio between corporate income taxes accrued on profit/loss (Current taxes) and the profit before income tax (EBT).
- **Current taxes** represent taxes calculated on the basis of the taxable income of the year under the relevant tax rules of each country and they normally differ from taxes paid in the same year as the final payment takes place in the year following the one in which they accrued.
- The **Cash Tax Rate** represents the incidence of the tax expense, expressed in terms of taxes paid, on the profit or loss for the year and is determined as the ratio between the corporate income taxes paid and the profit before income tax (EBT).
- Enel Group's Current Income Tax Rate is equal to **39,7%**, higher than the **average rate of the OECD member states** which equals to **23,27%**[1].
- **Effective Tax Rate** (ETR): represents the incidence of the tax expense (accounted for) on the profit or loss for the year and is determined as the ratio between corporate income taxes accrued on profit/loss (Current Taxes) and the profit before income tax (EBT). Differently from the Current Income Tax Rate, in addition to current taxes, taxes also include (i) any provision for tax debts that are not yet certain as regards either their amount or existence, (ii) adjustments for income taxes relating to prior years, and (iii) prepaid/deferred taxes. For further details on Enel's ETR, please refer to the section 7 on Comparative Indicators (page 113 and following).

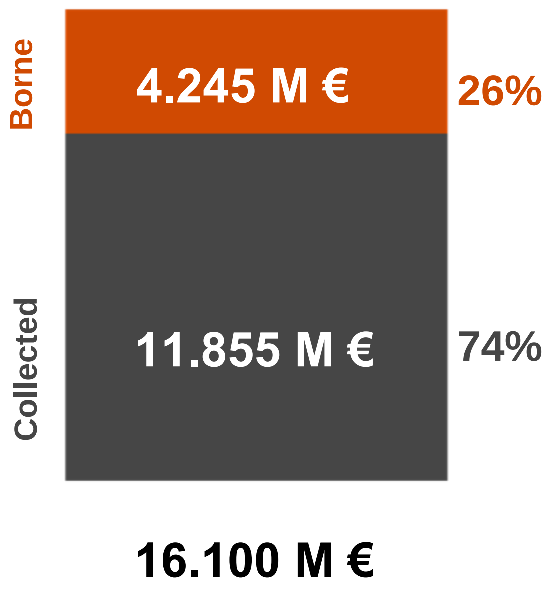
Considering **all income tax rate metrics** (Cash, Current and Effective), Enel **always lies above** the OECD average.

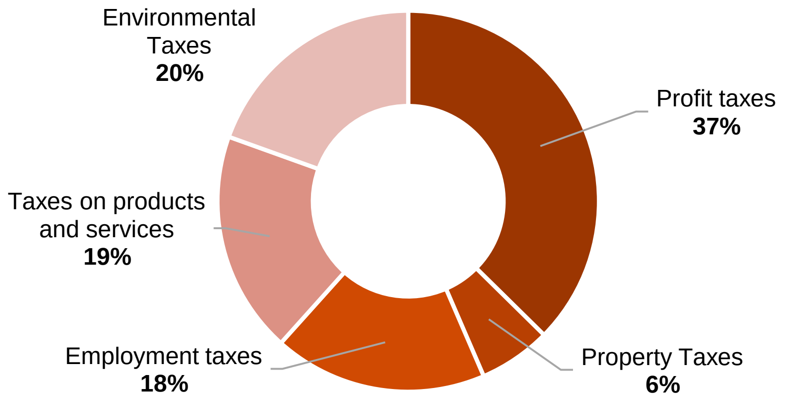
[1] 23,27% is calculated as the average of the nominal corporate income tax rates in effect in 2020 in each of the OECD member states and takes into account both the nominal rate set at central government level and the nominal rates set at the sub-central level (i.e. regional or local). For more details, visit the following link: *stats.oecd.org/Index.aspx?DataSetCode=TABLE_II1*

4. Enel Group’s Total Tax Contribution (TTC)

Total Tax Contribution

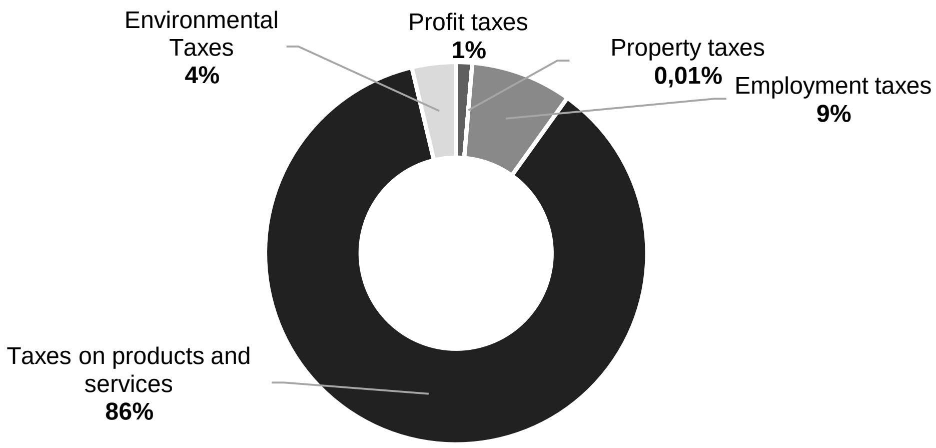
Total Tax Contribution (also referred to as **TTC**) of Enel[1] in 2020 amounted to **16.100 million euros**: **26%** of the Total Tax Contribution relates to payments that represent a cost for Enel (**taxes borne**) and the remaining **74%** relates to payments made as a result of rebate mechanisms, substitution etc. (**taxes collected**).





Taxes borne

The **taxes borne** paid by Enel in 2020 amounted to **4.245 million euros**. The main component is related to **profit taxes**, which represent **37%** of the total taxes borne. **Environmental taxes** and **taxes on products and services** account for **20%** and **19%** of the total taxes borne, respectively.

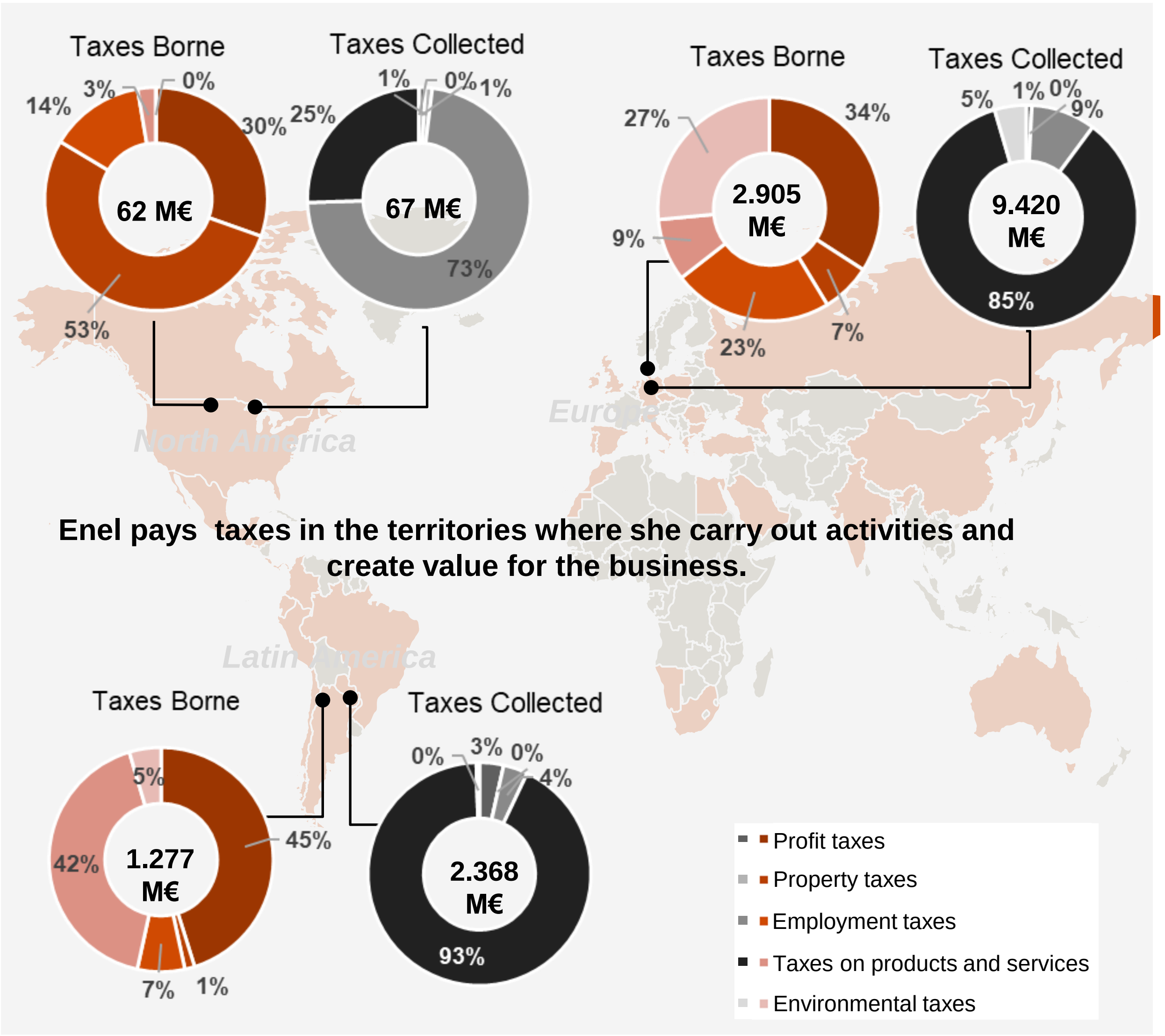


Taxes Collected

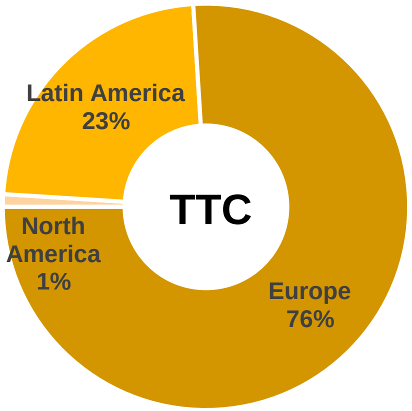
The **taxes collected** paid by Enel in 2020 amounted to **11.855 million euros**. Taxes on products and services (mainly related to VAT) represent **86%** of taxes collected. The high incidence of such taxes compared to other categories is due due to the specific nature of the activity and the high volume of business generated by Enel, especially in Italy, Spain and Brazil.

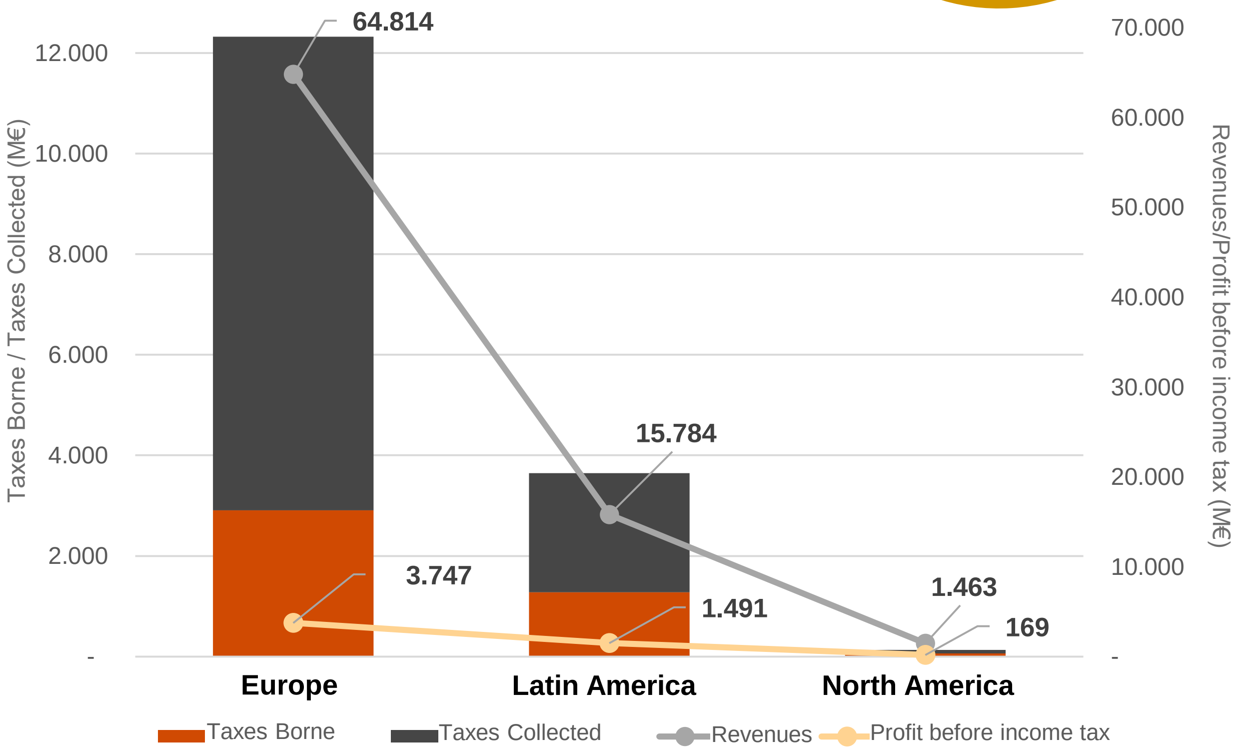
[1]The total tax contribution considers the data of the **16 main countries** in which Enel operates, which represent more than **98%** of the **Group's revenues** and **99%** of the **income tax paid**.

Total Tax Contribution by geographical area



- Enel's Total Tax Contribution by geographical area is concentrated for approx. **99% in Europe and Latin America**, **in line with** the distribution of the **revenues** and **profit before income tax**.
- In **North America** the amount of net taxes paid (in particular CIT) is influenced by the method of incentivising the **Renewable Energy** industry through tax credits[1].

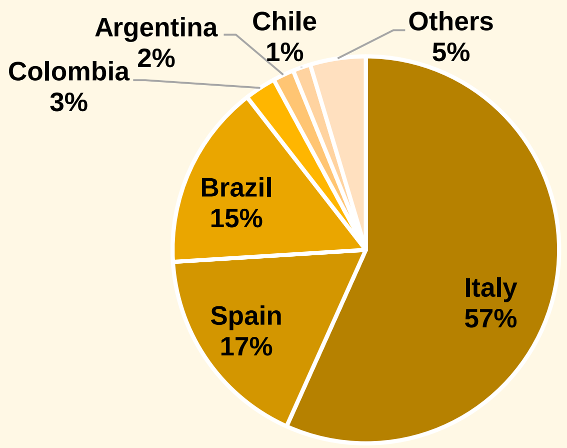




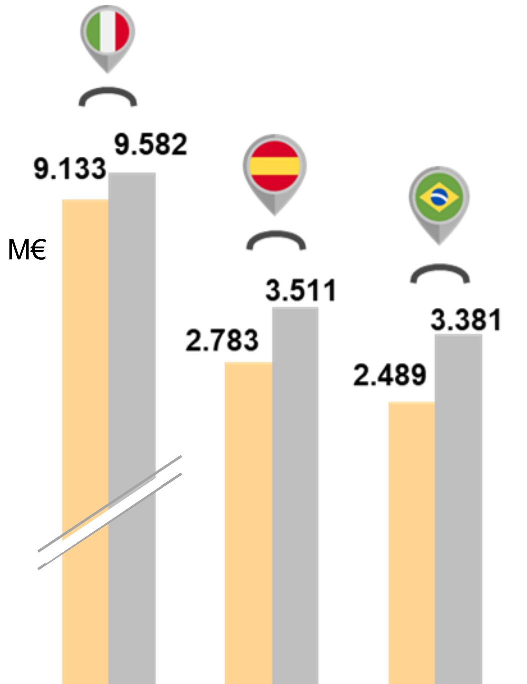
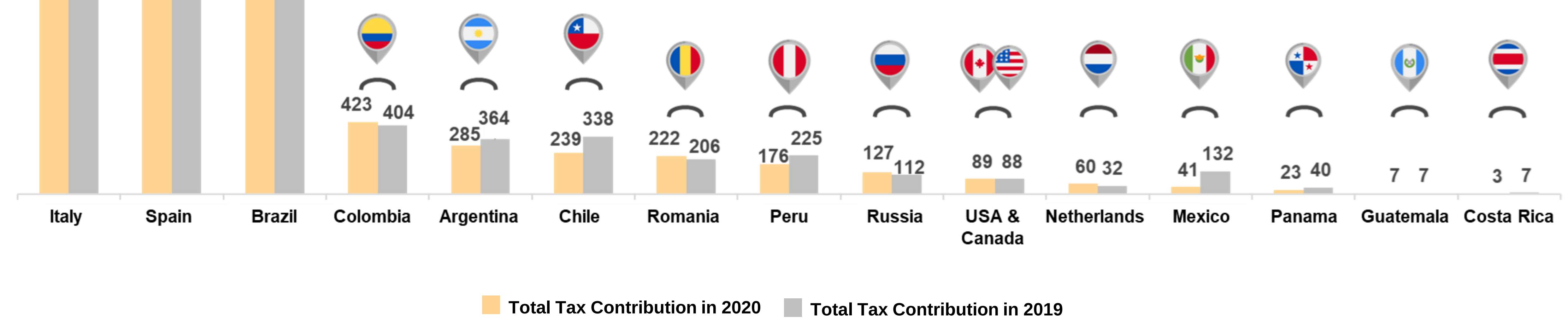
[1]For more details, please refer to USA and Canada's slide

Total tax contribution by country

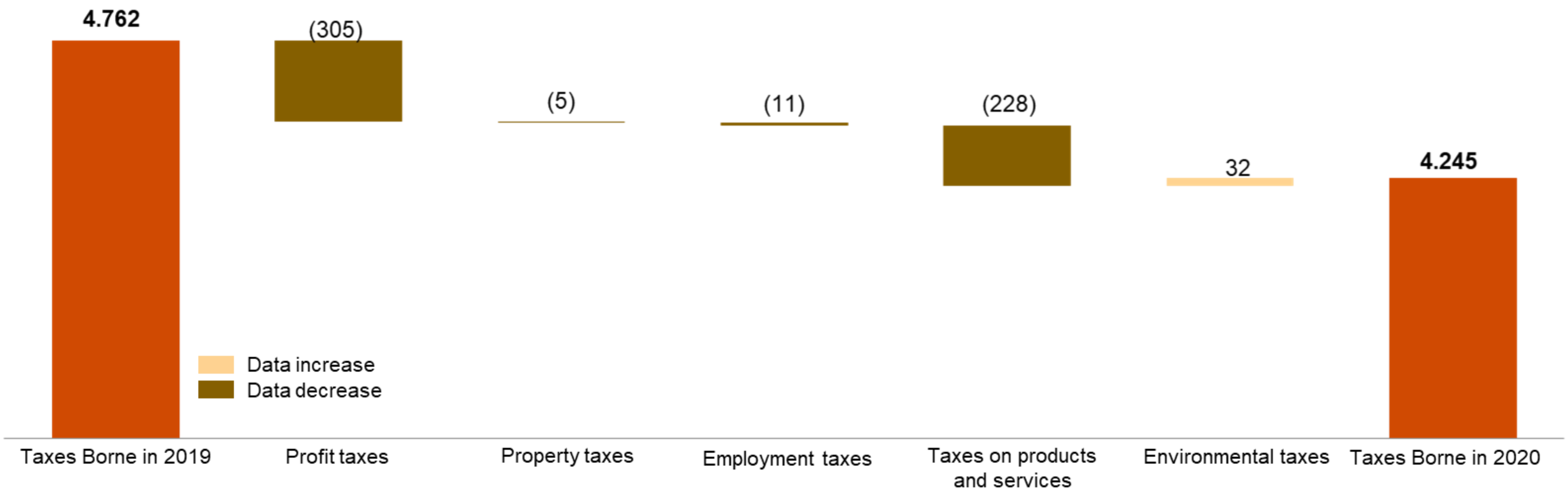
The distribution of the total contribution is concentrated for **89%** in **Italy**, **Spain** and **Brazil** which represent approx. 80% of Group revenues.



In 2020, the Total Tax Contribution in the main countries decreased compared to 2019 mainly as a result of the reduction in the volume of business affected by the Covid-19 pandemic. In contrast, there was a slight increase in tax contributions in **Colombia**, **Romania**, **Russia** and the **Netherlands**.

Taxes Borne trend between 2019 and 2020



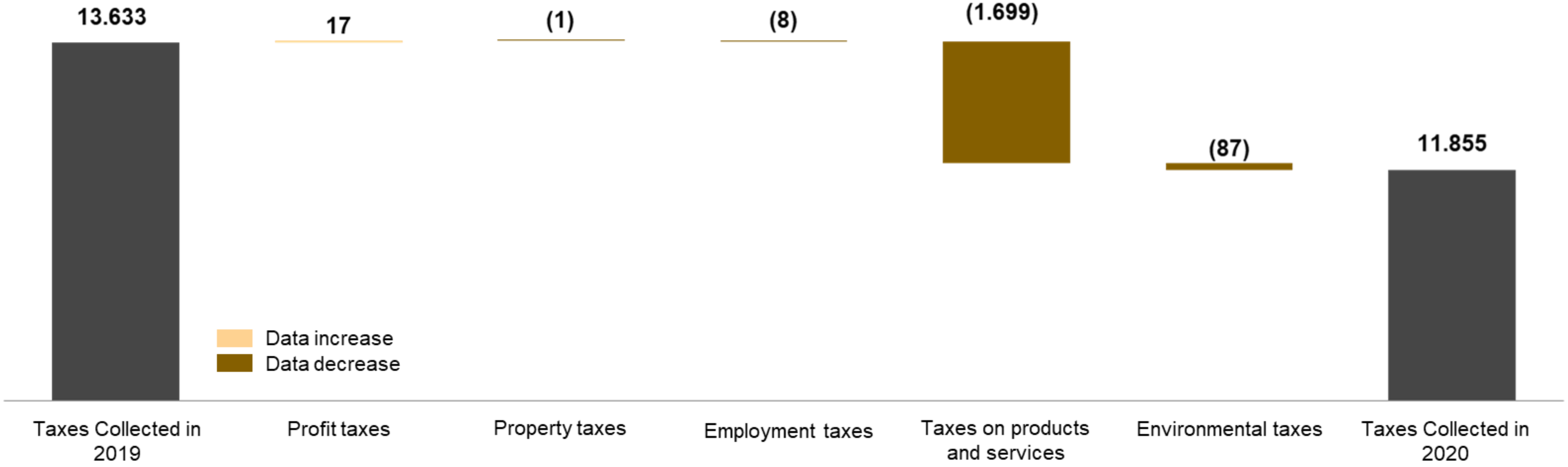
In 2020, total taxes borne **decreased** by **10,9%** due to the refund of excess taxes paid in previous years

The decrease is mainly due to the reduction in profit taxes and taxes on products and services, respectively equal to **305,0** and **228,3 million euros** in 2020. In particular:

- the most significant reductions on **profit taxes** are recorded in Spain (**348,7 million euros**) and Chile (**110,3 million euros**) due to the effect of *(i)* refunds obtained for excess taxes prepaid in previous financial years, *(ii)* write-downs due mainly to the process of decarbonization not deducted fiscally in 2019 in Spain, and *(iii)* tax measures introduced by local authorities to support companies following Covid-19 in Chile; furthermore, there were reductions in **Mexico** (**92,5 million euros**), where in 2019 one-off taxes on extraordinary transactions were paid. There were further reductions in profit taxes in **Peru**, **Panama** and **Russia** (for an overall total of **68,6 million euros**) mainly due to the reduction in income due to the Covid-19 pandemic. This was partially offset by an increase in profit taxes in **Italy** of **284,3 million euros**, due mainly to greater advance taxes paid in 2020 compared to 2019[1].
- the main reductions in **taxes on products and services** are recorded in Brazil for **236,5 million euros** resulting from the presence of tax credits due to higher payments made in previous years and in Spain for **27,7 million euros** due to a fall in electricity and gas sales linked to the slowdown in economic activity following the COVID-19 pandemic. In contrast, there was an increase of such taxes in Italy of **32,3 million euros**, which can be explained by the significant increase in excise duty on coal destined for electricity production, partially offset by the decrease in the consumption of coal as a consequence of the Group's decarbonization program.

[1]The advances paid in 2020 were calculated using the historical method and increased due to the increase in taxable income between 2018 and 2019.

Taxes Collected trend between 2019 and 2020



In 2020, the amount of taxes collected **decreased** by **13,0%** in consideration of the reduction in revenues by **15%**

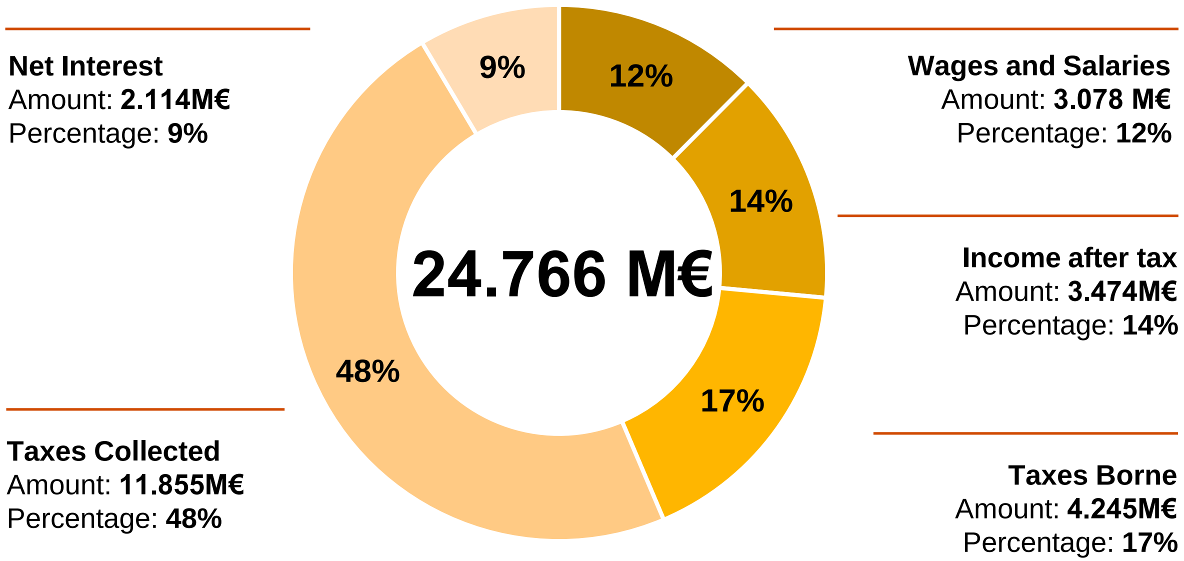
The reduction of 1.778 million euros compared to 2019 is due essentialy to:

- lower **taxes on products and services**[1] in **Italy**, **Brazil** and **Spain** for **741,9**, **622,1** and **316,1 million euros** respectively;
- the reduction in **environmental taxes** in **Spain for 103,2 million euros**.

The reduction in **taxes on products and services** and **environmental taxes** is attributable to the decline in sales and consumption of electricity and gas related to the slowdown in economic activities resulting from the Covid-19 pandemic. In fact, Enel's **revenues** in **Italy**, **Brazil** and **Spain** in 2020 decreased overall by **12.049 million euros**.

[1]Mainly value added taxes (VAT) in Italy and Spain and ICMS in Brazil.

Distributed Tax Value in 2020



Enel paid to public administrations approximately **65% of the value distributed** in 2020 in the form of taxes, both borne and collected.

For every **100 euros** of value distributed in 2020, **65** were used for the payment of taxes.

The concept of **distributed value** refers to the contribution that the company makes to society in general.

The **distributed value** is composed of the sum of the following elements:

- **Taxes borne and collected** (as value distributed to government)
- **Net interest** (as value distributed to creditors)
- **Wages and Salaries** net of taxes (as value distributed to employees)
- **Profit retained for reinvestment or paid as dividends** (as value distributed to shareholders).

The **Distributed Tax Value** index illustrates the percentage of the value distributed by Enel used to pay taxes borne and collected to public administrations.

For the purposes of this calculation, the shareholder value is represented by the amount of Income after tax.

5. Total Tax Contribution (TTC) by country

Key figures in Italy

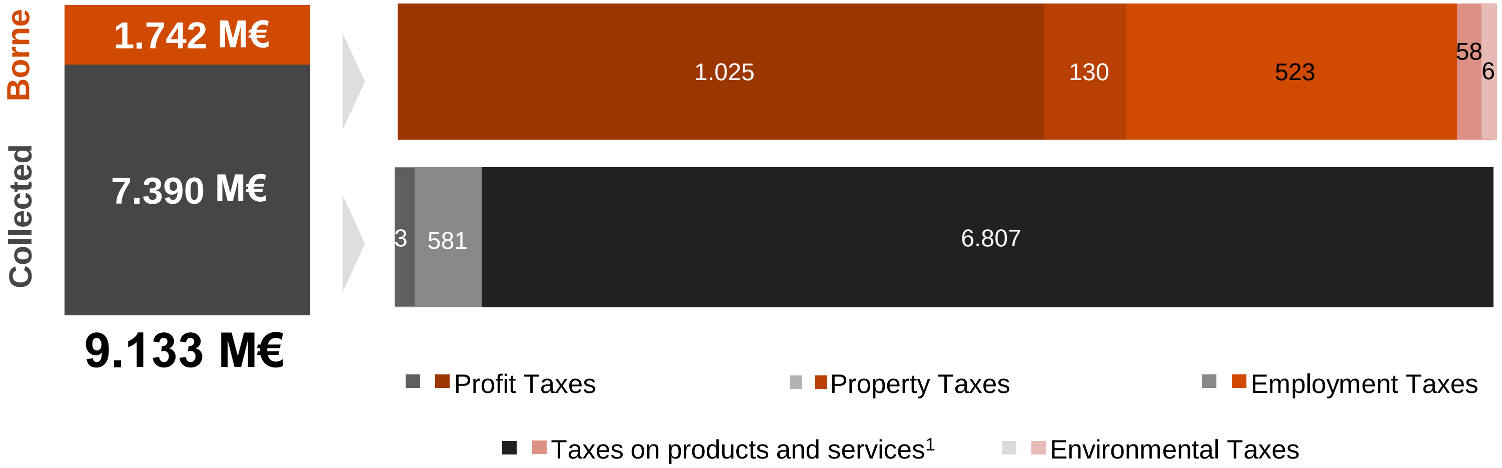
Entities	58	Profit before income tax	1.533 M€	Employees	29.777
Revenues	42.320 M€	Income tax accrued	1.038 M€	Wage per employee	53.452 €
Tangible assets	28.236 M€	Income tax paid	1.025 M€	Taxes per employee	37.088 €

77%

TTCR 2020 in Italy

Italy contributed to a total of **57%** of the Group's TTC, amounting to **9.133 million euros**. 19% of the Total Tax Contribution is represented by taxes borne, while the remaining 81% by taxes collected.

In Italy, VAT Collected represents 50% of the Total Tax Contribution.



[1] The taxes on products and services collected include the *Canone Rai* for approximately 1.255 million euros (equal to 17% of the total taxes collected), in relation to which Enel operates as a withholding agent by charging the amount to the customer and then paying it to the Italian government.

Indicators and trends of Total Tax Contribution in Italy

Indicators and trends

TTC to turnover

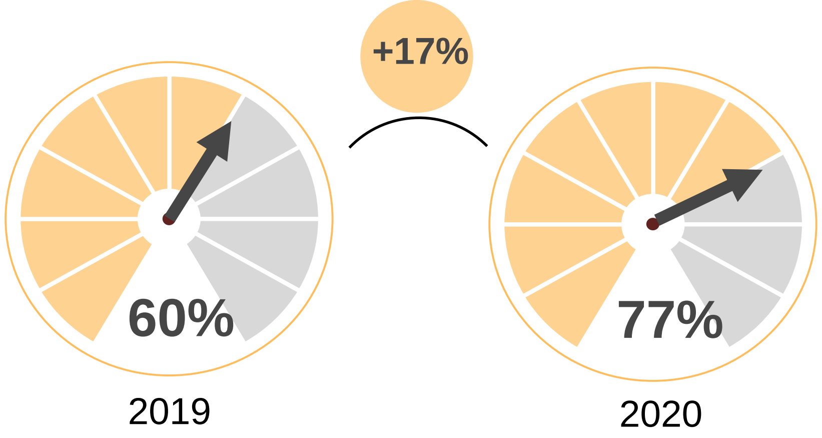
21,6 %
TTC to turnover

4,1 %
Borne

17,5 %
Collected

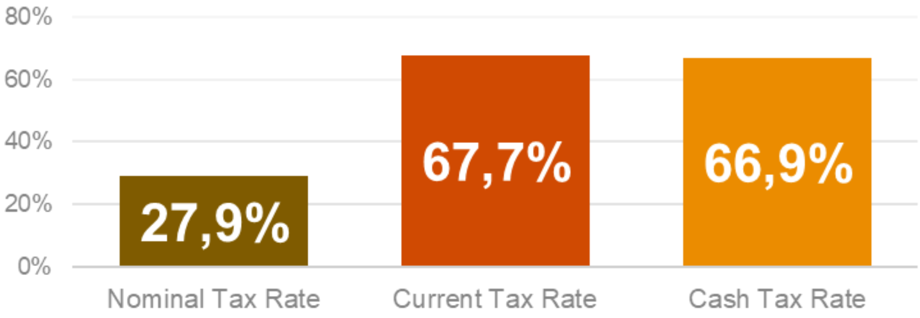
For every 100 euros of revenues generated, **21,6 euros** were used to pay taxes, of which **4,1 taxes borne** and **17,5 taxes collected**.

TTC Rate trend in 2019-2020



The 17% increase is the result of both the increase in taxes borne in 2020 for 317 million euros and the reduction in the same year of the profit before taxes borne for 120 million euros. The reduction in profit before taxes borne is mainly due to (i) the reduction in demand for electricity and write-downs on receivables due to the Covid-19 pandemic, (ii) the direct costs related to the health emergency (costs for sanitation, personal protective equipment and donations).

Corporate Tax Rate



In 2020, the cash tax rate is broadly in line with the current tax rate.

The important difference between current and nominal tax rate is mainly due to (i) higher incidence of IRAP on profit before income tax, (ii) non deductible write-downs related to certain equity participations.

Distributed Tax Value in Italy

74%

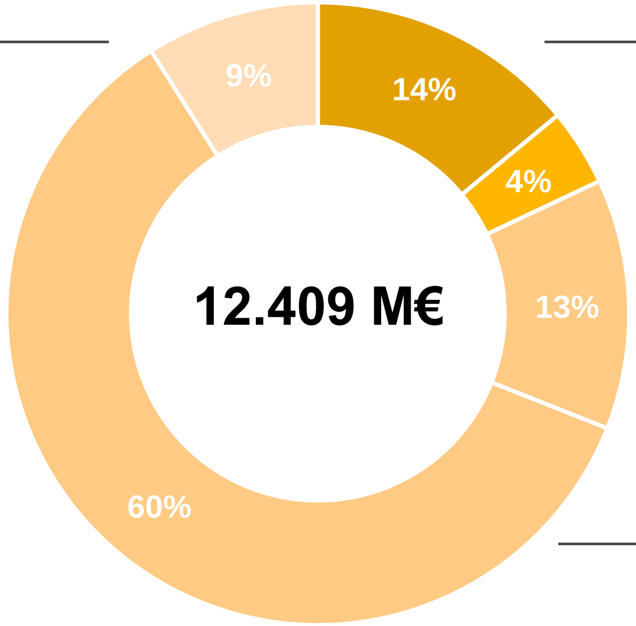
In 2020, the distributed value amounted to **12.409 million euros**, of which **9.133 million** were paid to public administrations in the form of taxes borne and collected.

Net Interest

Amount: 1.171 M€
Percentage: 9%

Taxes Collected

Amount: 7.390 M€
Percentage: 60%



Taxes Borne

Amount: 1.742 M€
Percentage: 14%

Income after Tax

Amount: 513 M€
Percentage: 4%

Wages and Salaries

Amount: 1.592 M€
Percentage: 13%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **increased** by **22,2%** compared to 2019.

The increase in taxes borne is mainly the result of:

- an **increase** in profit taxes of approximately **284 million euros** deriving mainly from the greater advance taxes paid in 2020 compared to 2019. Prepaid taxes in 2020 were calculated using the historical method and were higher due to the increase in taxable income between 2018 and 2019.
- an **increase** in taxes on products and services of about **32 million euros** due to the significant increase in excise duty on coal destined for electricity production, partially offset by the decrease in the consumption resulting from the Group's decarbonization program.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **decreased** by **9,3%** compared to 2019.

The reduction in taxes collected is mainly due to the **reduction** in taxes on products and services of approximately **742 million euros**, essentially due to the lower indirect taxes paid as a result of the drop in sales and consumption of electricity and gas caused by the Covid-19 pandemic.

Key figures in Spain

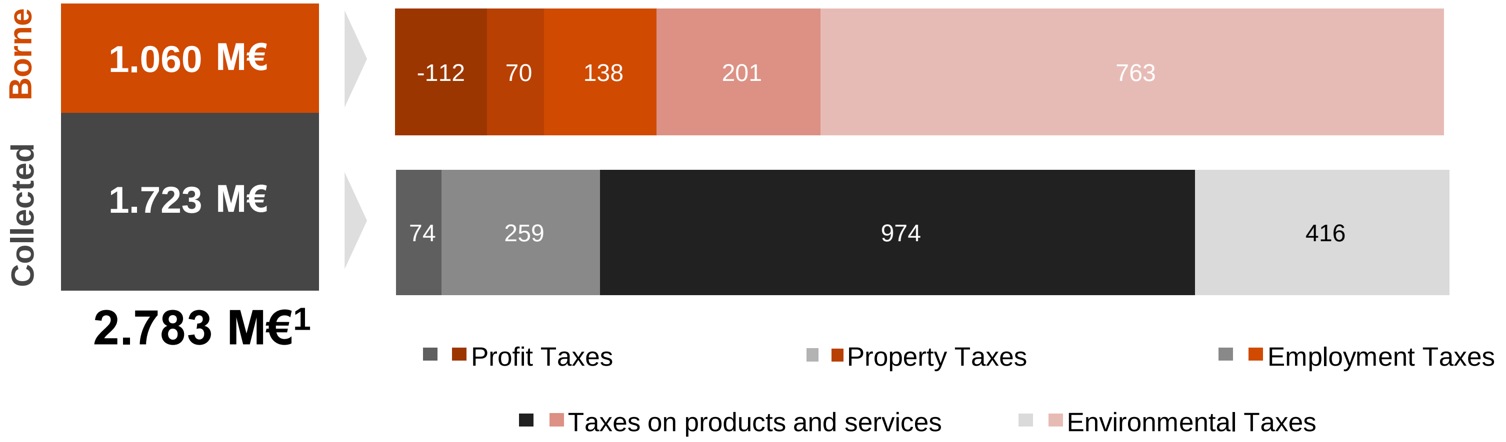
Entities	112
Revenues	16.793 M€
Tangible assets	22.958 M€
Profit before income tax	1.637 M€
Income tax accrued	120 M€
Income tax paid	-136 M€
Employees	9.659
Wage per employee	73.043 €
Taxes per employee	41.074 €

37%

TTCR 2020 in Spain

Spain contributed to a total of **17%** of the Group’s TTC, amounting to **2.783 million euros**. 38% of the Total Tax Contribution is represented by taxes borne, while the remaining 62% by taxes collected.

In Spain, VAT Collected represents 30% of the Total Tax Contribution.



[1] In 2020, other payments were made to public administrations (not included in the TTC) for 76 million euros, of which 48 million euros related to the *Bono social* and 27 million euros related to the *Eficiencia energetica*.

Indicators and trends of Total Tax Contribution in Spain

Indicators and trends

TTC to turnover

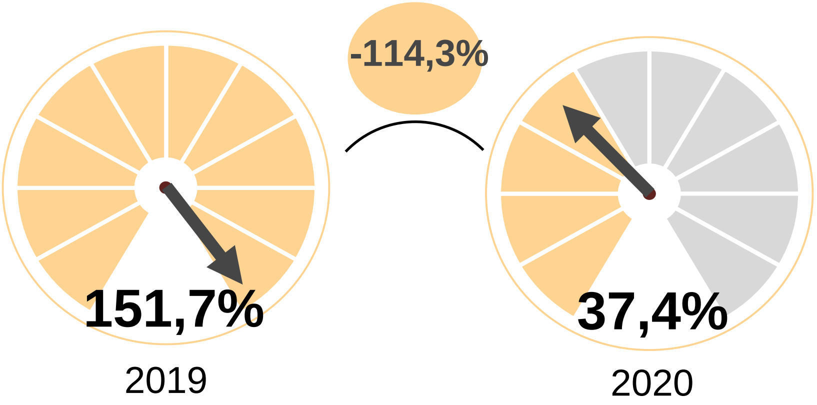
16,6 %
TTC to turnover

6,3 % Borne

10,3 % Collected

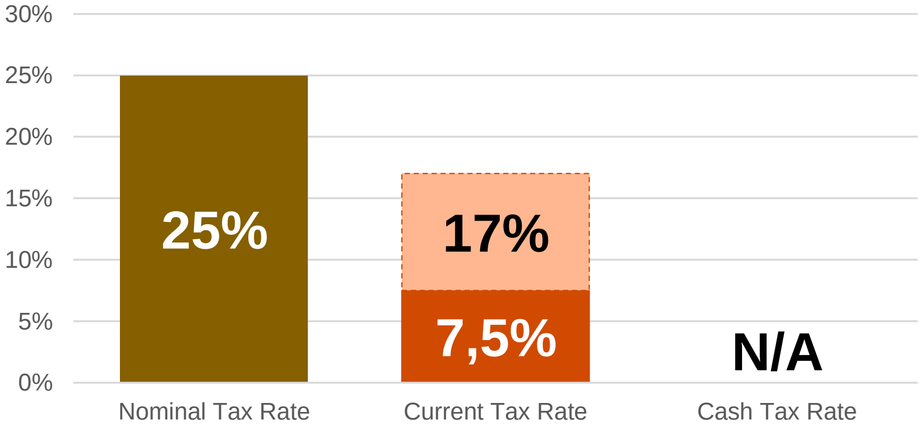
For every 100 euros of revenues generated, **16,6 euros** were used to pay taxes, of which **6,3 taxes borne** and **10,3 taxes collected**.

TTC Rate trend in 2019-2020



The trend is particularly affected by the non deductible write-downs recorded in 2019 in light of the decarbonization process adopted by the Group for approximately 1.900 million euros , which, in line with local tax regulations, started to generate higher deductible depreciations from 2020 onwards. For further details please refer to the section “Principles of Tax Accounting in a nutshell”.

Corporate Tax Rate



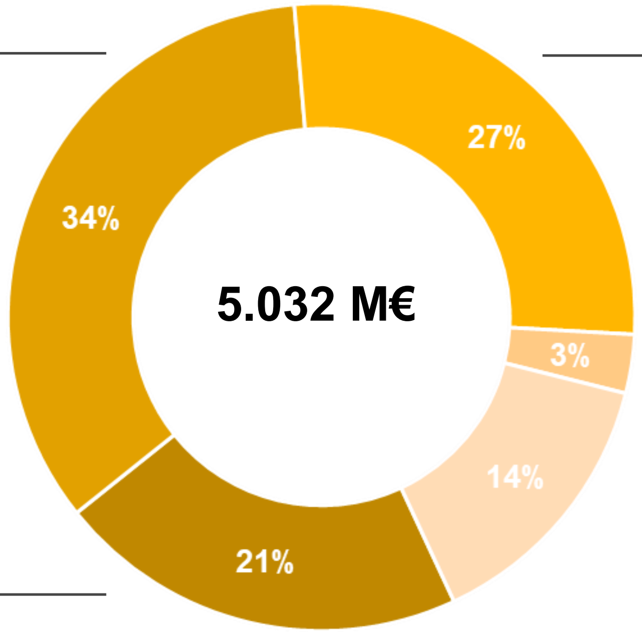
The current tax rate for the year is affected by the deduction of a part of the write-downs of coal plants recorded in 2019 (see previous box) with an impact of approx. 9,5%, that started the recovery process through tax depreciation. Excluding this extraordinary effect, the current tax rate would have been around 17%. The difference compared to the nominal tax rate is due to the use of tax receivables[1] intended to eliminate double taxation phenomena related to previous years (impact approx. 10%). Taxes payable in the year are negative as they are offset by refunds of 404 million euros for taxes overpaid in 2018 and 2019.

[1]This is the tax credit on dividends distributed by Endesa to Enel Iberia. This tax credit was recognized in Spain in order to eliminate economic double taxation, taking into account that the capital gains realized by the ormer shareholders of Endesa were already being taxed.

Distributed Tax Value in Spain

55%

In 2020, the distributed value amounted to **5.032 million euros**, of which **2.783 million** were paid to public administrations in the form of taxes borne and collected.



Taxes Collected

Amount: 1.723 M€
Percentage: 34%

Income after Tax

Amount: 1.382 M€
Percentage: 27%

Net Interests

Amount: 162 M€
Percentage: 3%

Taxes Borne

Amount: 1.060 M€
Percentage: 21%

Wages and Salaries

Amount: 706 M€
Percentage: 14%

Taxes Borne trend between 2019 and 2020

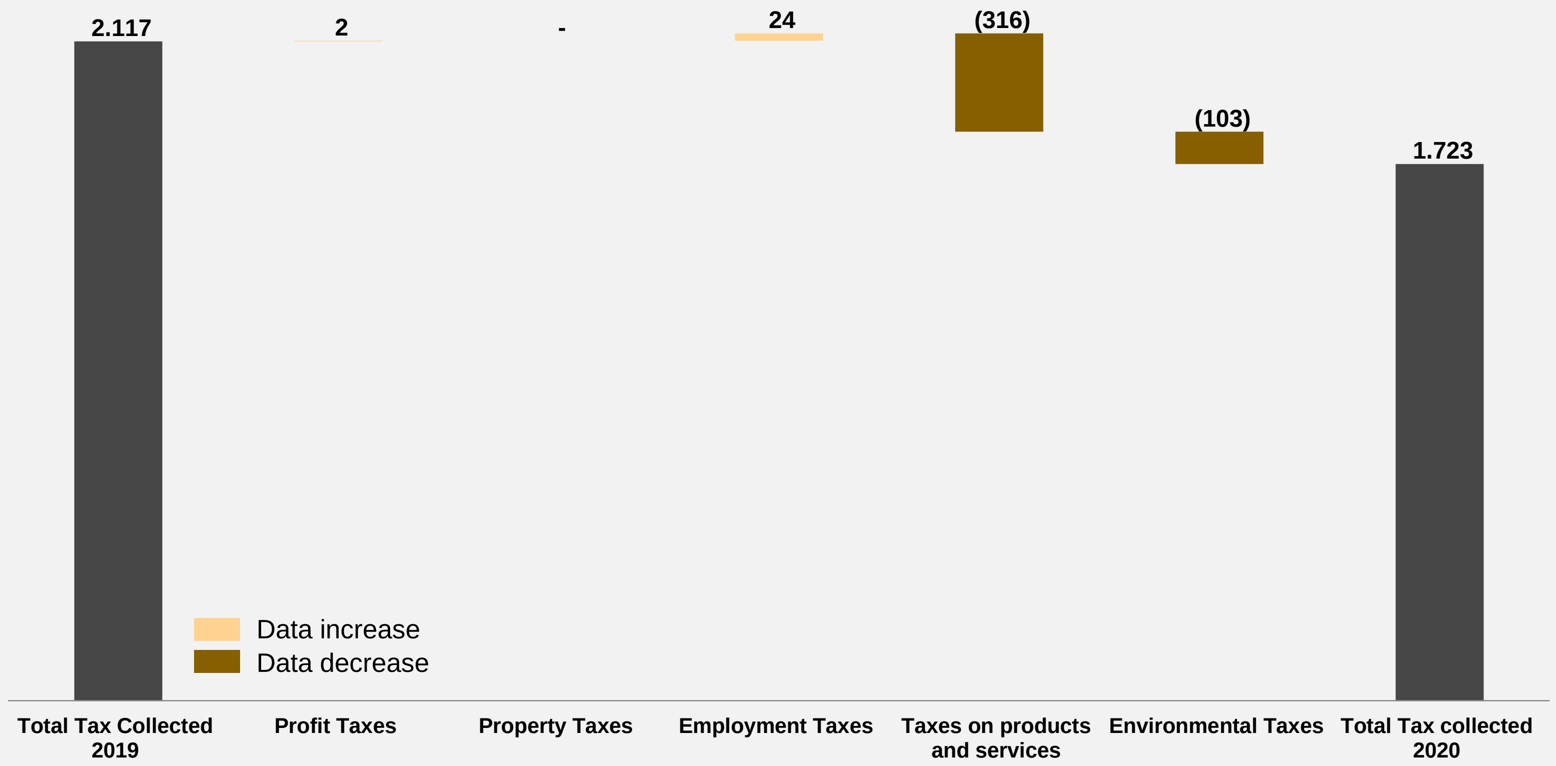
In 2020, taxes borne **decreased** by **24,0%** compared to 2019.

The decrease in taxes borne is essentially the result of a **reduction** in profit taxes of about **349 million euros** arising from:

- refunds obtained for excess taxes prepaid in previous financial years;
- write-downs mainly due to the decarbonization process not deducted for tax purposes in 2019. As a result of the strategy of progressively moving away from coal-fired production, significant plant write-downs were made in 2019, which on the basis of the country's tax legislation were not deducted in the year but will be deducted in subsequent years over the remaining useful life of the plants.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **decreased** by **18,6%** compared to 2019.



The reduction of taxes collected is mainly the result of:

- a **decrease** in taxes on products and services (VAT) and environmental taxes (mainly electricity tax and hydrocarbon tax), respectively for approximately **316 and 103 million euros**, due to the decrease in sales and consumption of electricity and gas caused by the Covid-19 pandemic. In fact, Enel's revenues in Spain in 2020 decreased by 2.026 million euros compared to 2019.
- an **increase** in employment taxes for about **24 million euros**, attributable to an overall wage increase following the signing of a new salary agreement.

Key figures in Brazil

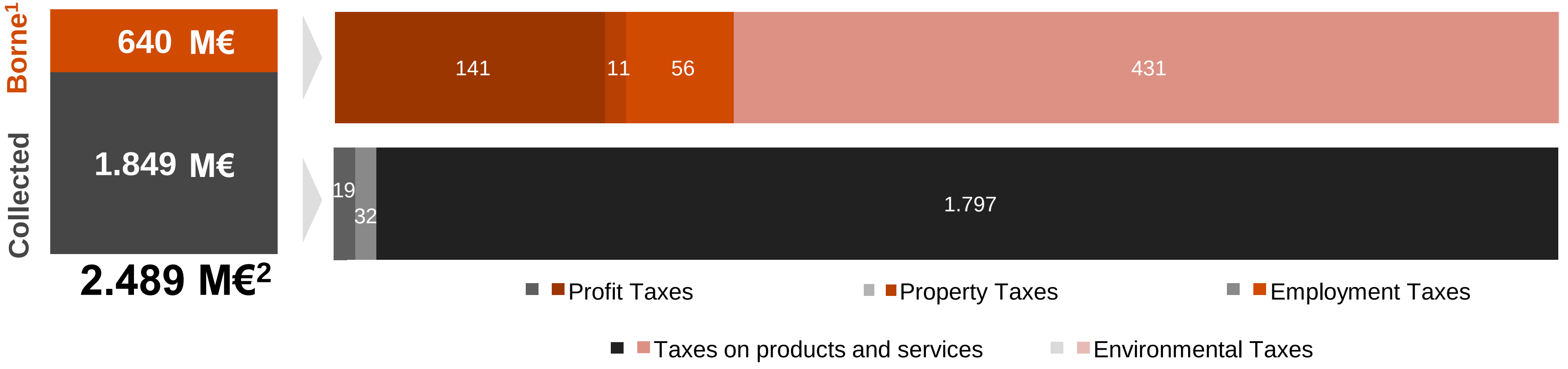
Entities	180	Profit before income tax	287 M€	Employees	10.137
Revenues	7.338 M€	Income tax accrued	112 M€	Wage per employee	16.605 €
Tangible assets	2.602 M€	Income tax paid	141 M€	Taxes per employees	8.740 €

81%

TTCR 2020 in Brazil

Brazil contributed to a total of **15%** of the Group's TTC, amounting to **2.489 million euros**. 26% of the Total Tax Contribution is represented by taxes borne, while the remaining 74% by taxes collected.

In Brazil, ICMS (similar to VAT) Collected represents 69% of the Total Tax Contribution.



[1]In 2020, environmental taxes (borne) amounted to 0,43 million euros.

[2]In 2020, other payments were made to public administrations (not included in the TTC) for 0,4 million euros.

Indicators and trends of Total Tax Contribution in Brazil

Indicators and trends

TTC to turnover

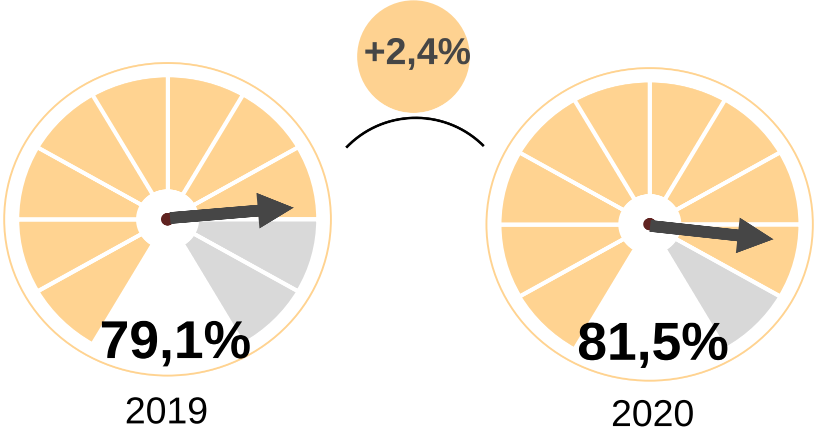
33,9 %
TTC to turnover

8,7 % Borne

25,2 % Collected

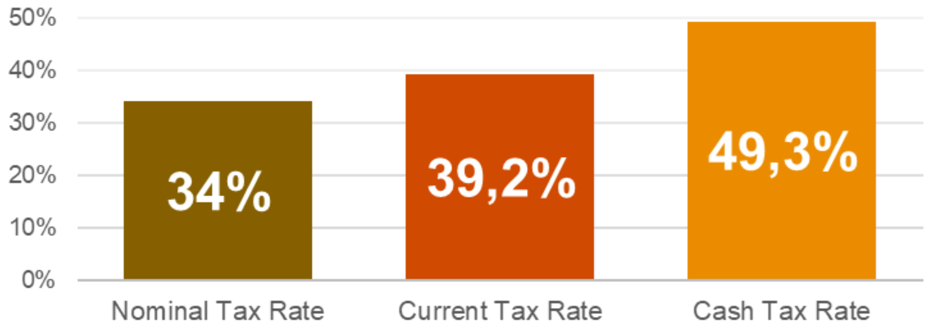
For every 100 euros of revenues generated, **33,9 euros** were used to pay taxes, of which **8,7 taxes borne** and **25,2 taxes collected**.

TTC Rate trend in 2019-2020



The 2,4% increase is the result of the reduction in profit before taxes borne for 355 million euros, which is more than proportional compared to the reduction in taxes borne. The decrease in profit before taxes borne is mainly due to: (i) the reduction in revenues due to lower sales in 2020 and (ii) the devaluation of the local currency.

Corporate Tax Rate



The current tax rate is higher than the nominal tax rate for the following reasons: (i) the taxable income is determined starting from the local financial account data which differs from the economic data of the report, as it adopts international accounting principles (IAS/IFRS)[1], (ii) non-deductible provisions relating to the exchange rate effect (BRL/USD) which will be deductible in the following years[2] and (iii) non-deductible provisions relating to incurred personnel-related costs (pension plan) that will be deductible in in following years.
The difference between current tax rate and cash tax rate is due to some tax receivables connected to withholdings paid and accounted for in 2020 which will be recovered from the following year's payments.

[1] For a more in-depth analysis of the differences between Local GAAP and IAS / IFRS data and their impact on tax rates, please refer to the appendix of the report.

[2] This is a non-deductible provision relating to the exchange rate effect on a debt agreed in dollars but accounted for in BRL. The exchange rate effect will be tax deductible only when the debt is repaid to the lender

Distributed Tax Value in Brazil

85%

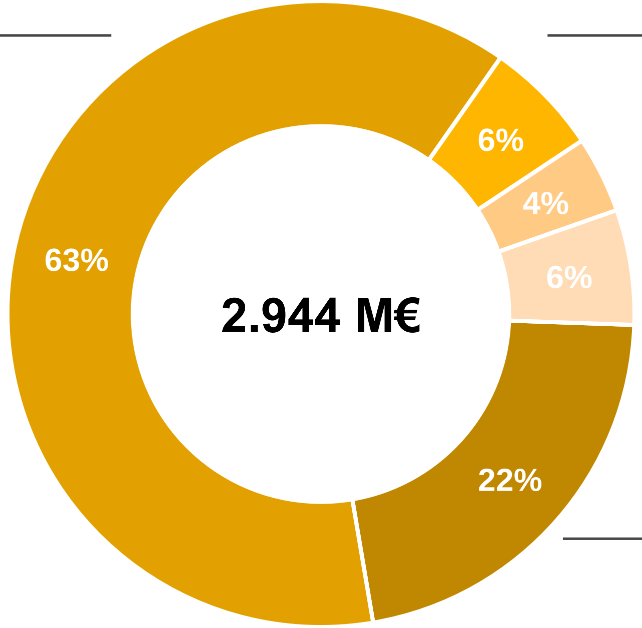
In 2020, the distributed value amounted to **2.944 million euros**, of which **2.489 million** were paid to public administrations in the form of taxes borne and collected.

Taxes Collected

Amount: 1.849 M€
Percentage: 63%

Taxes Borne

Amount: 640 M€
Percentage: 22%



Income after Taxes

Amount: 169 M€
Percentage: 6%

Net Interest

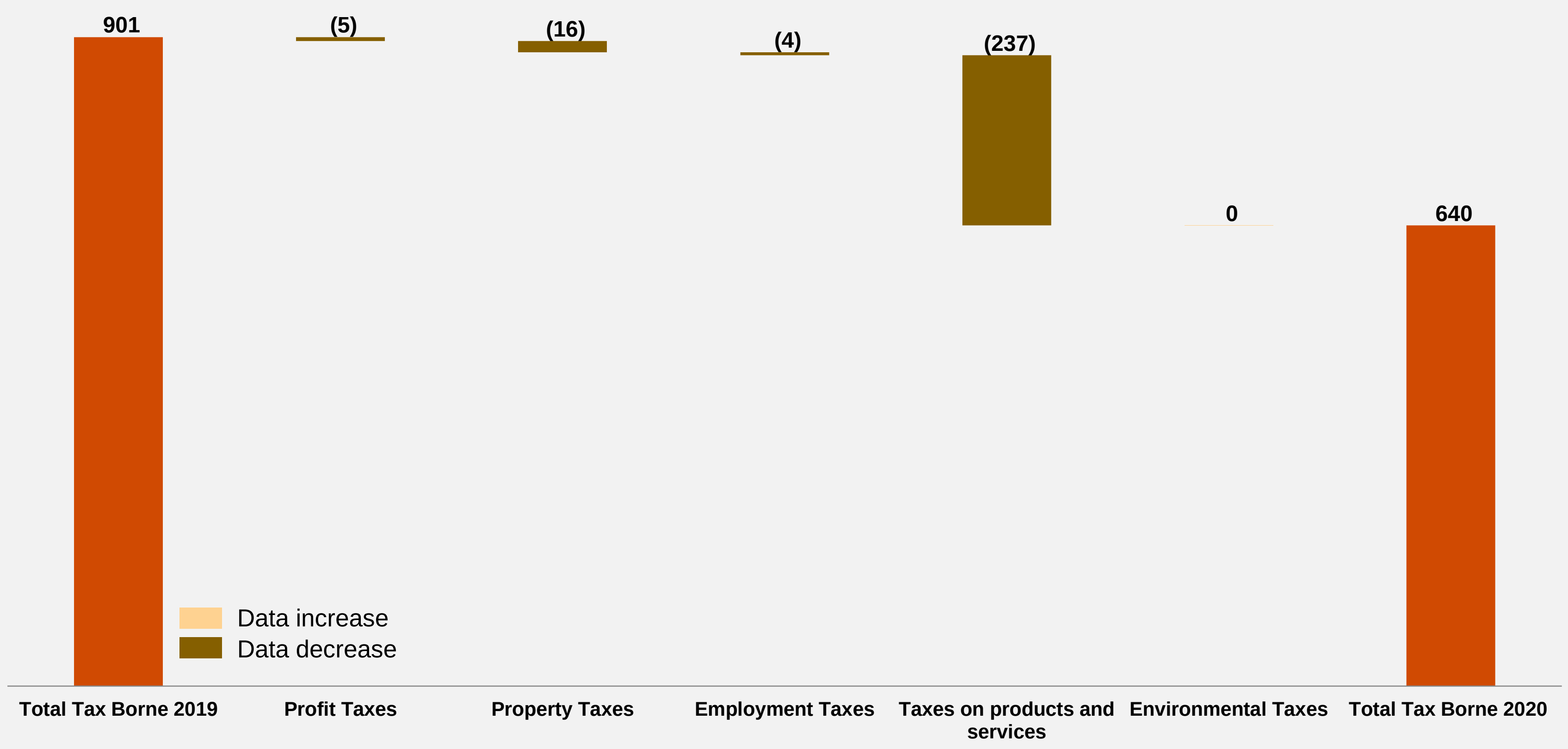
Amount: 118 M€
Percentage: 4%

Wages and Salaries

Amount: 168 M€
Percentage: 6%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **decreased** by **29,0%** compared to 2019.



The reduction in taxes borne is mainly the result of:

- a **decrease** in taxes on products and services due to the recovery of excess taxes paid in previous years. These credits refer to federal sales taxes (so called "COFINS" and "PIS") intended for social integration and the social security financing.
- a **decrease** in property taxes of approximately **16 million euros** due to:
  - the Financial Tax (IOF) exemption granted by the Brazilian government to support businesses and reduce the economic impact of the Covid-19 pandemic.
  - a reduction in the municipal property tax (IPTU).

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **decreased** by **25,4%** compared to 2019.

The decrease in taxes collected is mainly the result of a **reduction** in taxes on products and services for about **622 million euros** which essentially reflects the lower ICMS (indirect tax equivalent to VAT) paid due to the decrease in sales and consumption of electricity and gas caused by the Covid-19 pandemic. In fact, Enel's revenues in Brazil in 2020 decreased by 1.305 million euros compared to 2019, equal to 15%.

Key figures in Colombia

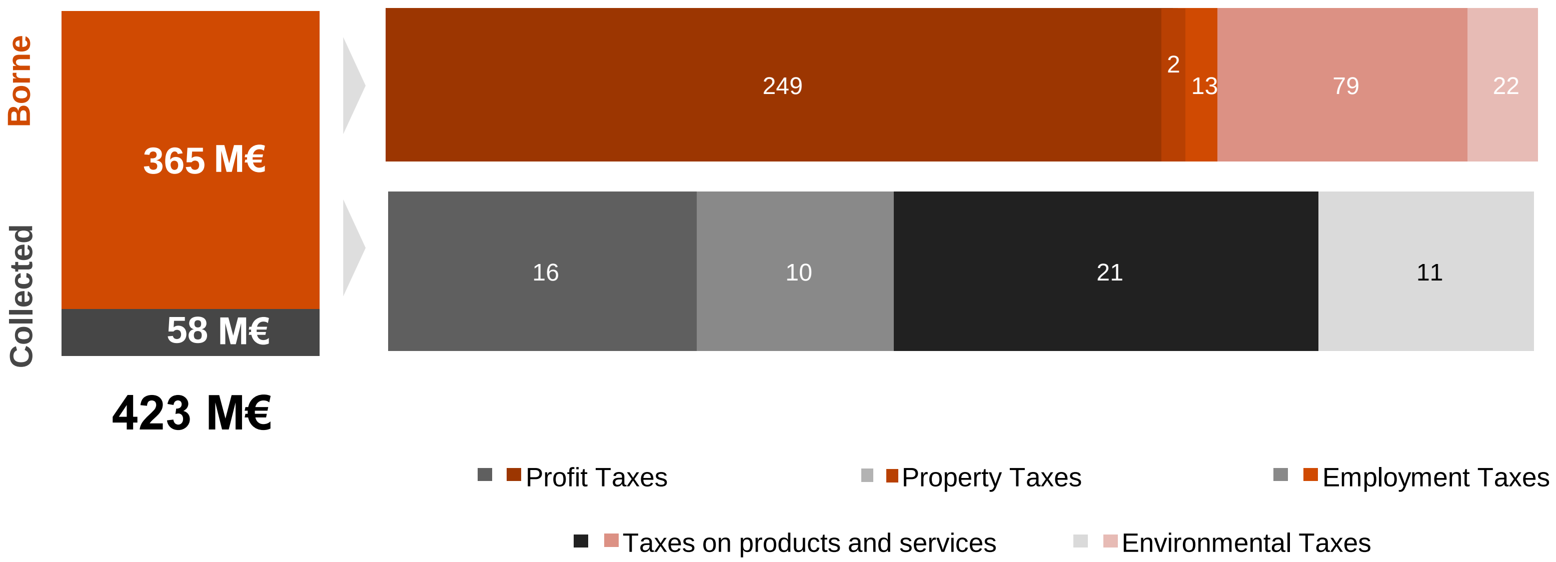
Entities	11
Revenues	2.087 M€
Tangible assets	3.652 M€
Profit before income tax	740 M€
Income tax accrued	237 M€
Income tax paid	233 M€
Employees	2.191
Wage per employee	30.738 €
Taxes per employee	10.322 €

42%

TTCR 2020 in Colombia

Colombia contributed to a total of **3%** of the Group's TTC, amounting to **423 million euros**. 86% of the Total Tax Contribution is represented by taxes borne, while the remaining 14% by taxes collected.

In Colombia, the profit taxes within the taxes borne represent 55% of the Total Tax Contribution.



Indicators and trends of Total Tax Contribution in Colombia

Indicators and trends

TTC to turnover

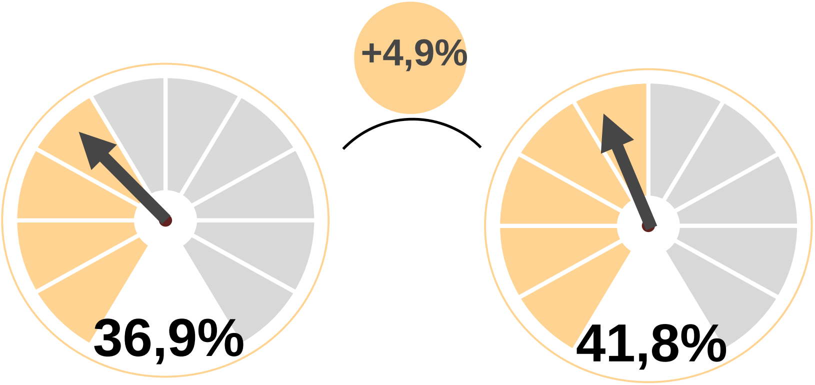
20,3 %
TTC to turnover

17,5 % Borne

2,8 % Collected

For every 100 euros of revenues generated, **20,3 euros** were used to pay taxes, of which **17,5 taxes borne** and **2,8 taxes collected**.

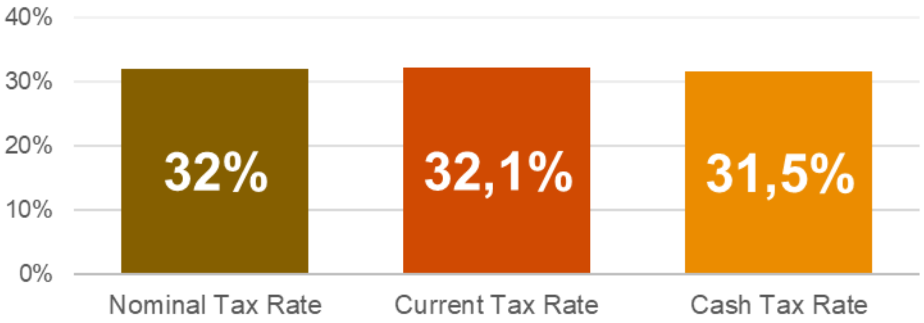
TTC Rate trend in 2019-2020



2019 2020

The 4,9% increase is the result of both the 2020 increase in taxes borne for 18 million euros and the reduction in the same year of the profit before taxes borne for 68 million euros, the latter mainly connected to (i) lower energy demand in 2020, (ii) higher costs for investment and (iii) negative exchange rate effect.

Corporate Tax Rate



In 2020, the current tax rate is broadly in line with the nominal tax rate and the cash tax rate.

Distributed Tax Value in Colombia

40%[1]

In 2020, the distributed value amounted to **1.065 million euros**, of which **423 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

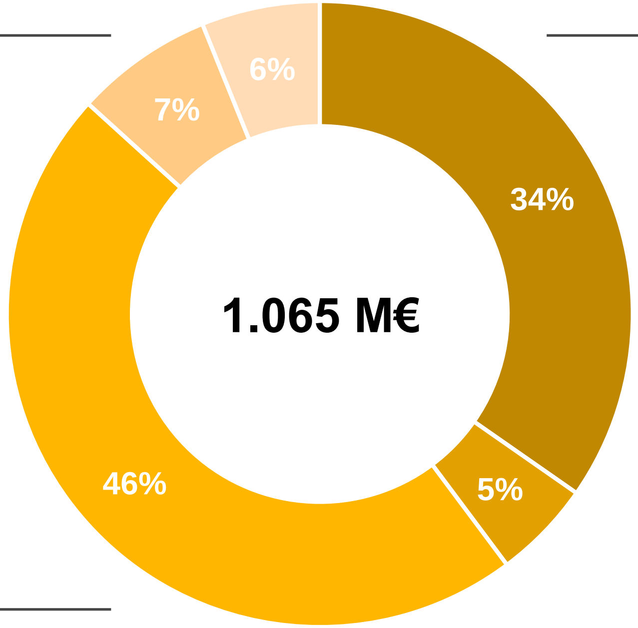
Amount: 67 M€
Percentage: 6%

Net Interest

Amount: 80 M€
Percentage: 7%

Income after tax

Amount: 495 M€
Percentage: 46%



Taxes Borne

Amount: 365 M€
Percentage: 34%

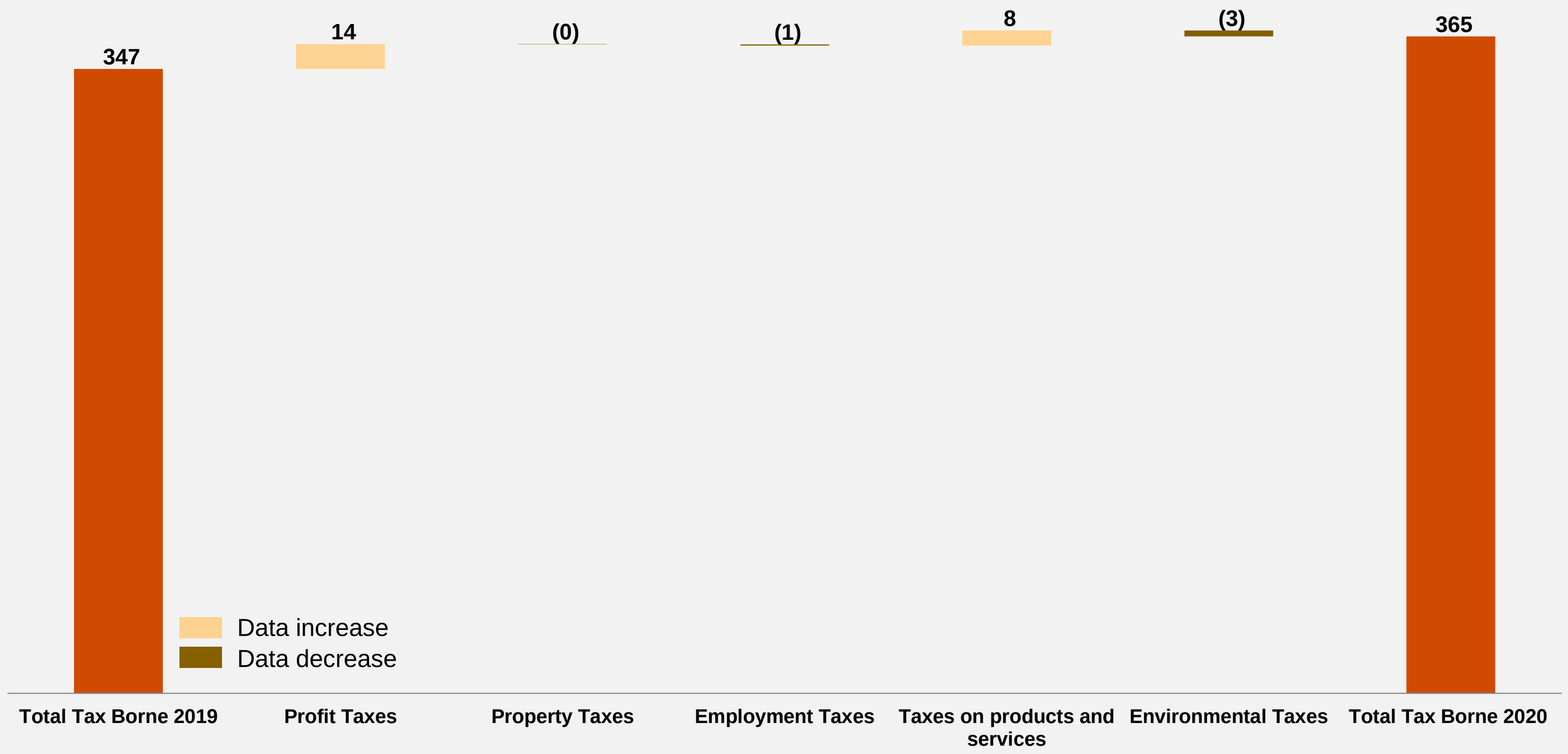
Taxes Collected

Amount: 58 M€
Percentage: 5%

[1] Numbers may not add up due to rounding. In this case, the decimal numbers are: 34,3% + 5,4% = 39,7%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **increased** by **5,2%** compared to 2019.

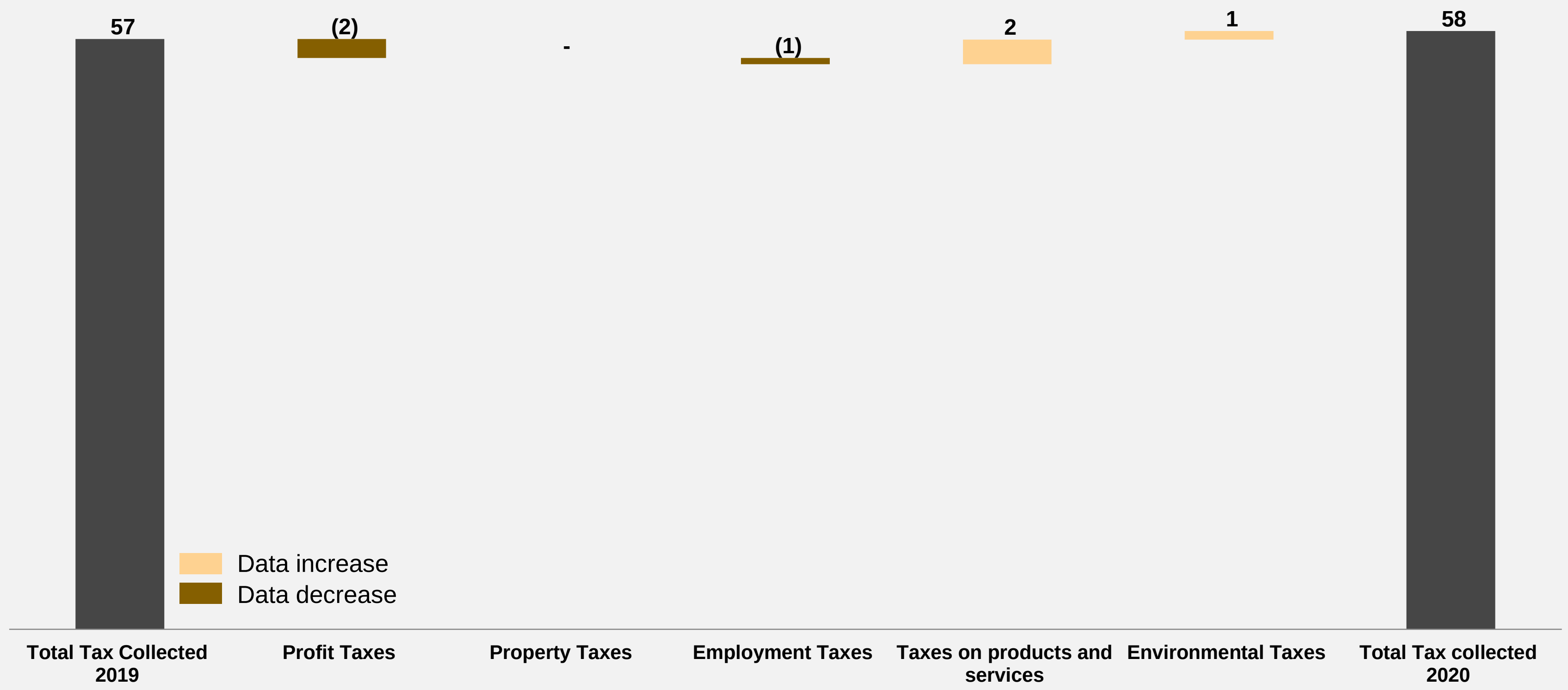


The increase in taxes borne is mainly the result of:

- an **increase** in profit taxes of approximately **14 million euros** mainly resulting from higher payments made in 2020 compared to those made in 2019, due to the increase in taxable income between 2018 and 2019.
- an **increase** in taxes on products and services of about **8 million euros**, mainly reflecting the non-deductible VAT on higher purchases made in 2020 compared to 2019.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected are in line with 2019. A slight **increase** of **1,3%** is recorded.



The slight increase in taxes collected is the result of:

- an **increase** in taxes on products and services of approximately **2 million euros** resulting from higher VAT paid by two companies.
- an **increase** in environmental taxes of about **1 million euros** arising from higher electricity taxes withheld from final consumers.
- a **reduction** in profit taxes and employment taxes due to the effect of currency exchange in the conversion of financial accoutes. In fact, the absolute value of these taxes (expressed in local currency) in 2020 slightly increased compared to 2019.

Key figures in Argentina

Entities	16	Profit before income tax	141 M€	Employees	4.074
Revenues	1.649 M€	Income tax accrued	52 M€	Wage per employee	17.438 €
Tangible assets	1.288 M€	Income tax paid	80 M€	Taxes per employee	7.596 €

65%

TTCR 2020 in Argentina

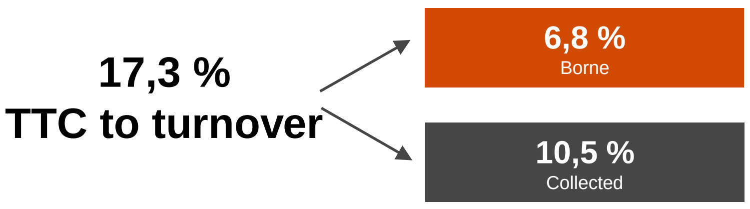
Argentina contributed to a total of **2%** of the Group's TTC, amounting to **285 million euros**. 39% of the Total Tax Contribution is represented by taxes borne, while the remaining 61% by taxes collected.

In Argentina, the taxes on products and services represent 25% of the Total Tax Contribution.

Indicators and trends of Total Tax Contribution in Argentina

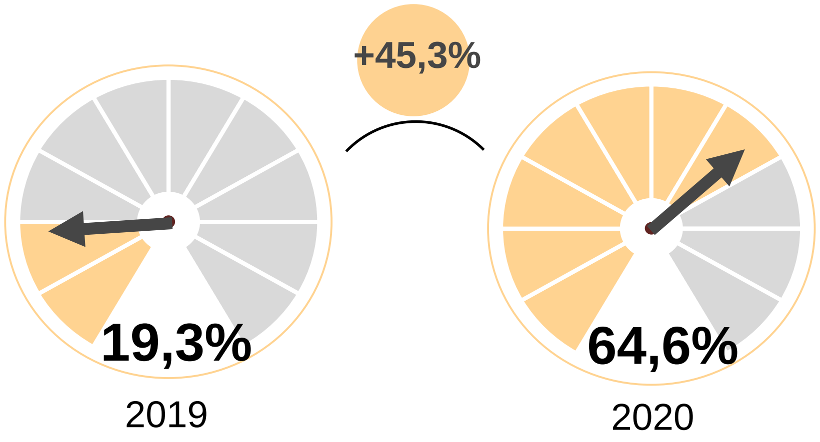
Indicators and trends

TTC to turnover



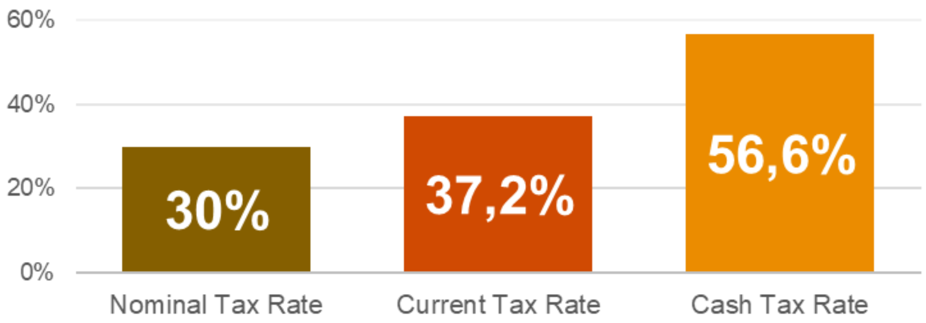
For every 100 euros of revenues generated, **17,3 euros** were used to pay taxes, of which **6,8 taxes borne** and **10,5 taxes collected**.

TTC Rate trend in 2019-2020



The 45,3% increase is the result of both the increase in taxes borne in 2020 for 13 million euros and the reduction in the same year of the profit before taxes borne for 340 million euros, the latter mainly due to the effect (i) of lower sales in 2020 compared to 2019 and (ii) hyperinflation (the book values have been restated in order to take into account hyperinflation according to IAS 21 and 29).

Corporate Tax Rate



The difference between the nominal tax rate and the current tax rate is mainly due to the hyperinflation that generates effects on the accounting of values partially not recognised for tax purposes.

The cash tax rate is higher than the current tax rate mainly due to some withholdings applied on an extraordinary transaction in Brazil and considered among the taxes paid by Argentina.

Distributed Tax Value in Argentina

62%

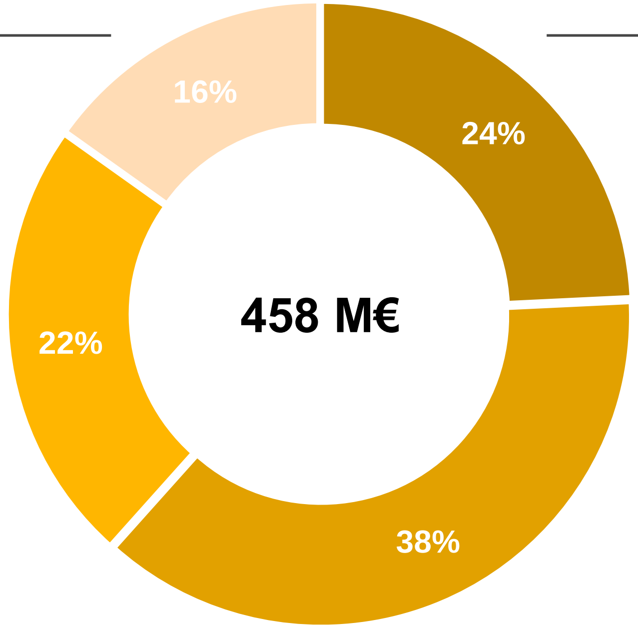
In 2020, the distributed value[1] amounted to **458 million euros**, of which **285 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

Amount: 71 M€
Percentage: 16%

Income After Tax

Amount: 102 M€
Percentage: 22%



Taxes Borne

Amount: 112 M€
Percentage: 24%

Taxes Collected

Amount: 173 M€
Percentage: 38%

[1] In cases where the amount of interest income is greater than the amount of interest expense, the value of the net interest is not considered in the calculation of the distributed value. In this case, the amount of net interest is equal to 1,8 million euros.

Taxes Borne trend between 2019 and 2020

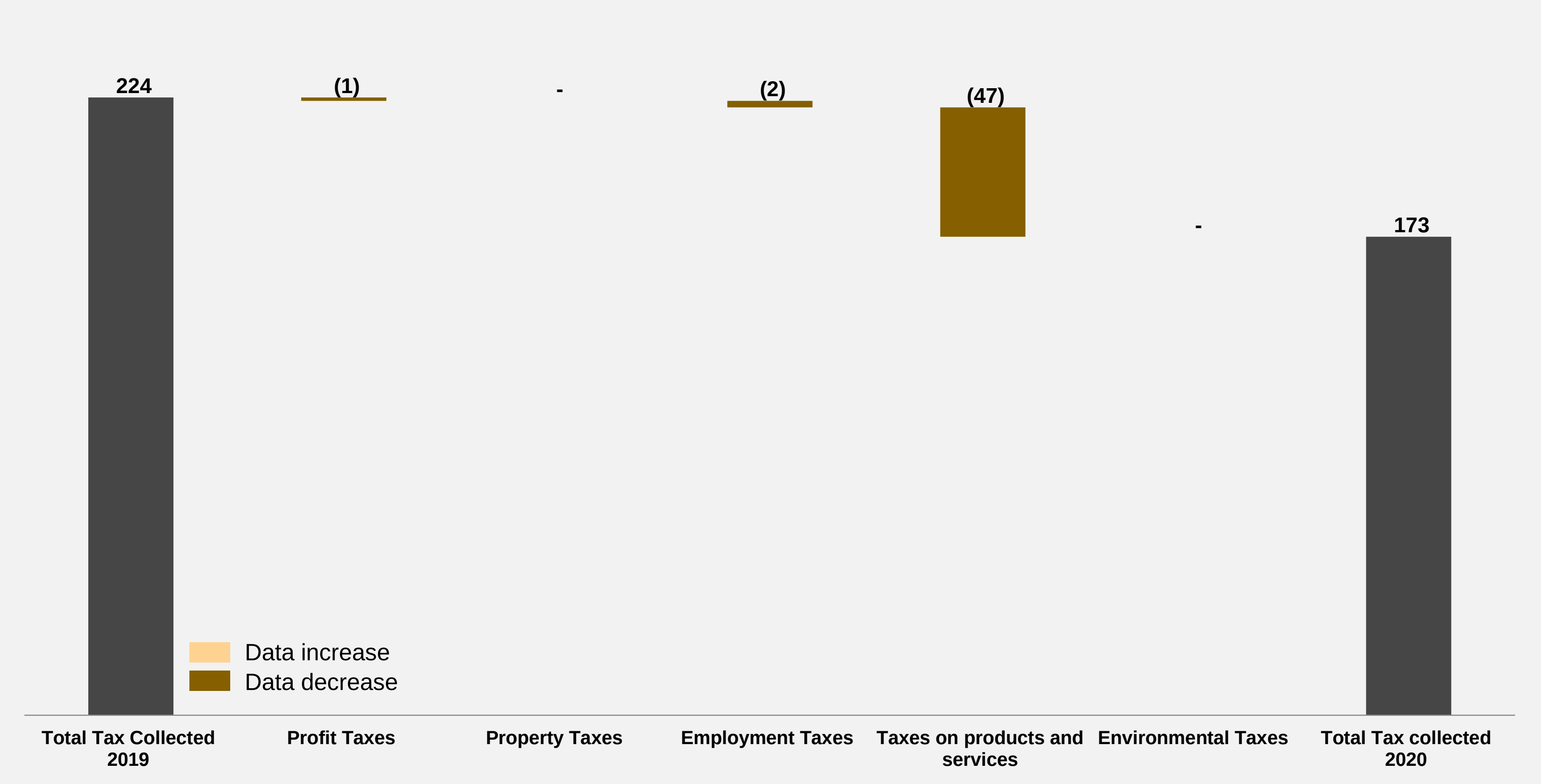
In 2020, taxes borne **increased** by **12,8%** compared to 2019.

The increase in taxes borne is mainly the result of:

- an **increase** in profit taxes of approximately **22 million euros** due to the higher withholding taxes incurred in 2020 in relation to the extraordinary definition of some contractual arrangements.
- a **decrease** in taxes on products and services and in employment taxes respectively for around **5** and **3 million euros**. While the amount of taxes on products and services and employment taxes (expressed in local currency) in 2020 increased compared to 2019, the translation of these taxes into euro decreased due to a significant devaluation of the local currency.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **decreased** by **22,5%** compared to 2019.



The decrease in taxes collected is essentially the result of a **reduction** in taxes on products and services for approximately **47 million euros**.

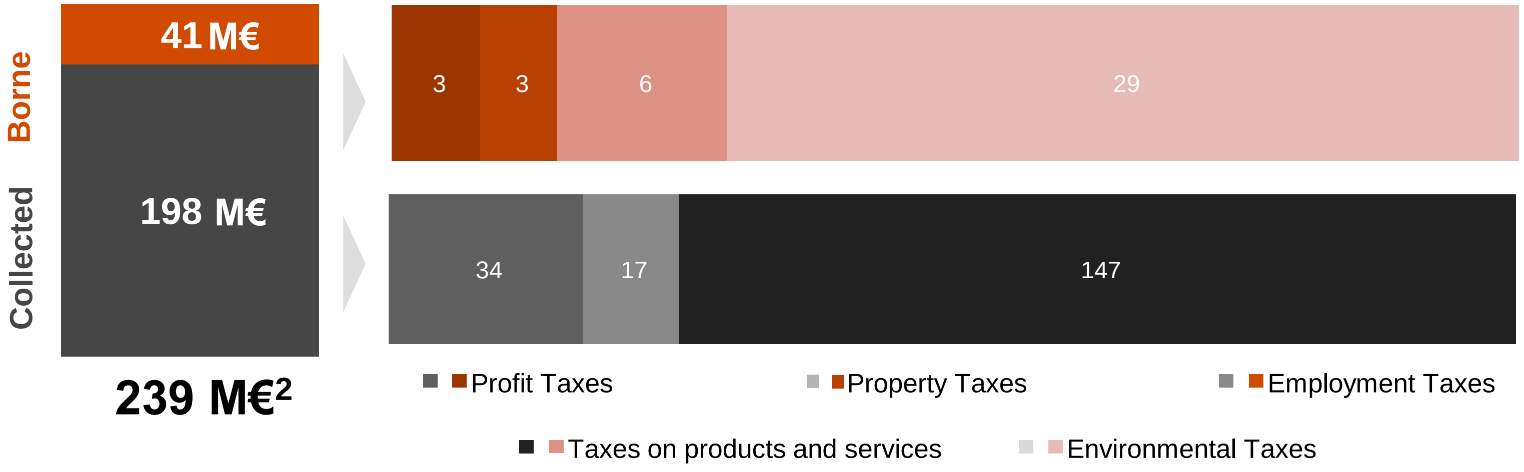
This reduction reflects the significant devaluation of the local currency, as a result of which the translation in euro of taxes on products and services has decreased compared to 2019. The amount of these taxes expressed in local currency in 2020 is in fact increased compared to 2019.

Key figures in Chile

Entities	33
Revenues	3.334 M€
Tangible assets	5.998 M€
Profit before income tax	- 40M€
Income tax accrued	344 M€
Income tax paid	3 M€
Employees	2.259
Wage per employee	60.238 €
Taxes per employee	7.499 €

Chile[1] contributed to a total of **1%** of the Group's TTC, amounting to **239 million euros**. 17% of the Total Tax Contribution is represented by taxes borne, while the remaining 83% by taxes collected.

In Chile, VAT Collected represents 62% of the Total Tax Contribution.



[1] TTC rate has not been calculated when Enel is in a loss-making position.

[2] In 2020, other payments were made to public administrations (not included in the TTC) for 5,6 million euros, of which 3,2 million euros for *Commercial License*.

Indicators and trends of Total Tax Contribution in Chile

Indicators and trends

TTC to turnover

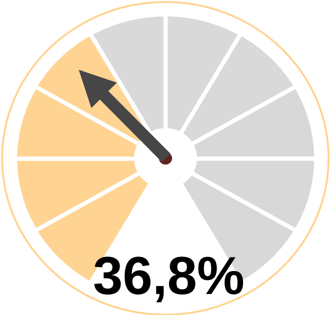
7,2 %
TTC to turnover

1,2 %
Borne

5,9 %
Collected

For every 100 euros of revenues generated, **7,2 euros** were used to pay taxes, of which **1,2 taxes borne** and **5,9 taxes collected**.

TTC Rate trend in 2019-2020



2019

N.A.[1]

2020

Despite a negative profit before taxes borne in 2020, due to the impairment recorded for the shutdown of the Bocamina plant as part of the decarbonization process, taxes borne for 41 million were nevertheless paid. For further details please refer to the section “Principles of Tax Accounting in a nutshell”.
In the case of negative profit before taxes borne, it was not possible to calculate the rate.

Corporate Tax Rate

In the case of negative profit before income tax, the ratios have not been calculated.

[1] Due to the loss incurred, the TTC Rate indicator has not been calculated and has been indicated as N.A.

Distributed Tax Value in Chile

42%[1]

In 2020, the distributed value amounted to **574 million euros**, of which **239 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

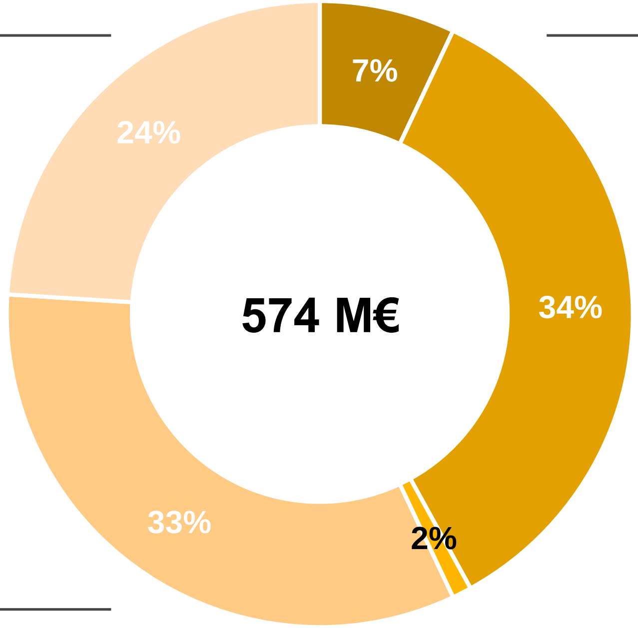
Amount: 136 M€
Percentage: 24%

Net Interest

Amount: 189 M€
Percentage: 33%

Income after Tax

Amount: 10 M€
Percentage: 2%



Taxes Borne

Amount: 41 M€
Percentage: 7%

Taxes Collected

Amount: 198 M€
Percentage: 34%

[1] Numbers may not add up due to rounding. In this case, the decimal numbers are: 34,5% + 7,1% = 41,6%

Taxes Borne trend between 2019 and 2020

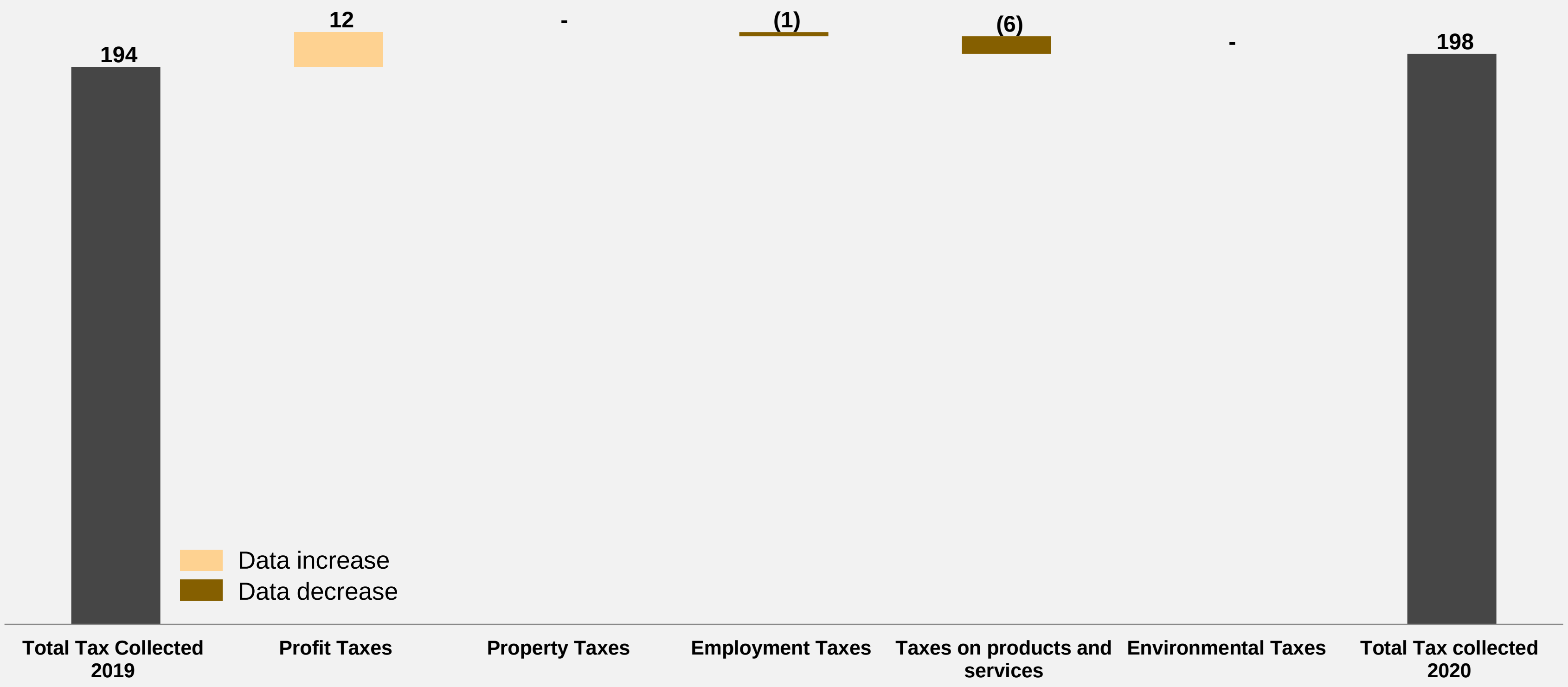
In 2020, taxes borne **decreased** by **71,6%** compared to 2019.

The reduction in taxes borne is mainly the result of:

- a **decrease** in profit taxes for approximately **110 million euros** deriving from:
  - refunds obtained for excess taxes prepaid in previous financial years amounting to around 89 million euros.
  - suspended tax payments during 2020 as a result of tax measures introduced by local authorities to support businesses in the context of the pandemic.
- an **increase** in environmental taxes of approximately **7 million euros** d mainly due to a thermoelectric plant eturned to operation after a breakdown period.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **increased** by **2,4%** compared to 2019.



The slight increase in taxes collected is mainly the result of:

- an **increase** in profit taxes of approximately **12 million euros** that mainly relates to higher withholding taxes on dividends paid to non-resident third-party shareholders.
- a **decrease** in taxes on products and services of approximately **6 million euros**. While the amount of taxes on products and services (expressed in local currency) in 2020 increased compared to 2019, the translation of these taxes into euro decreased due to the devaluation of the local currency.

Key figures in Romania

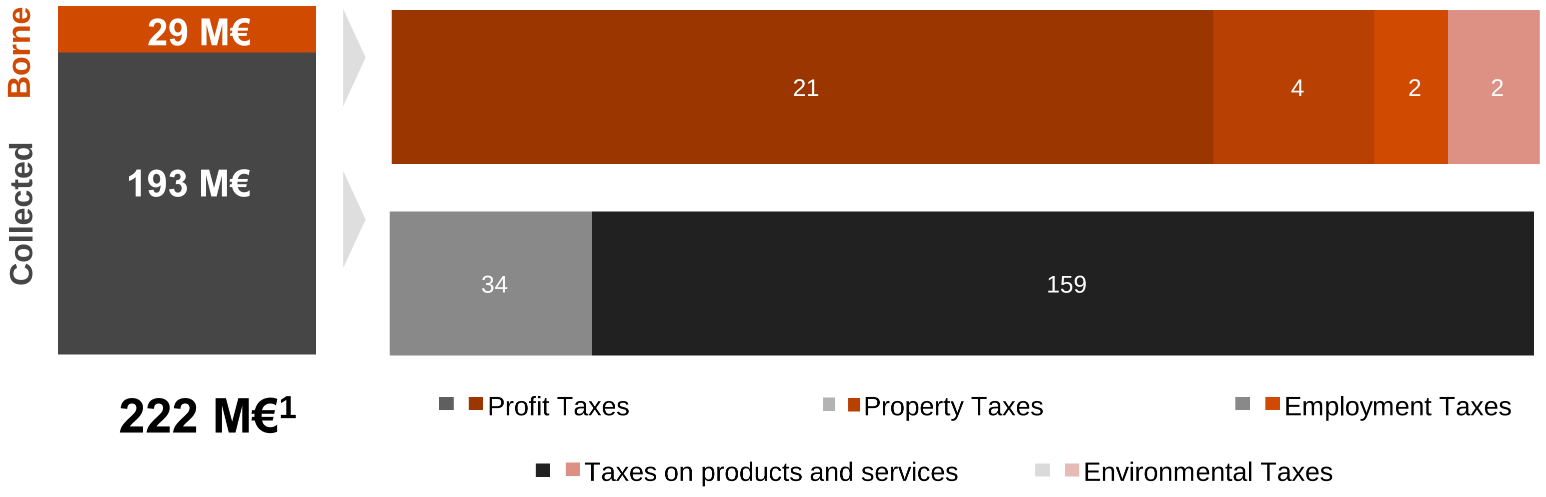
Entities	15
Revenues	1.406 M€
Tangible assets	1.993 M€
Profit before income tax	223 M€
Income tax accrued	24 M€
Income tax paid	21 M€
Employees	3.248
Wage per employee	24.859 €
Taxes per employee	11.084 €

13%

TTCR 2020 in Romania

Romania contributed to a total of **1%** of the Group's TTC, amounting to **222 million euros**. 13% of the Total Tax Contribution is represented by taxes borne, while the remaining 87% by taxes collected.

In Romania, VAT Collected represents 68% of the Total Tax Contribution.



[1]In 2020, other payments were made to public administrations (not included in the TTC) for 2,2 million euros.

Indicators and trends of Total Tax Contribution in Romania

Indicators and trends

TTC to turnover

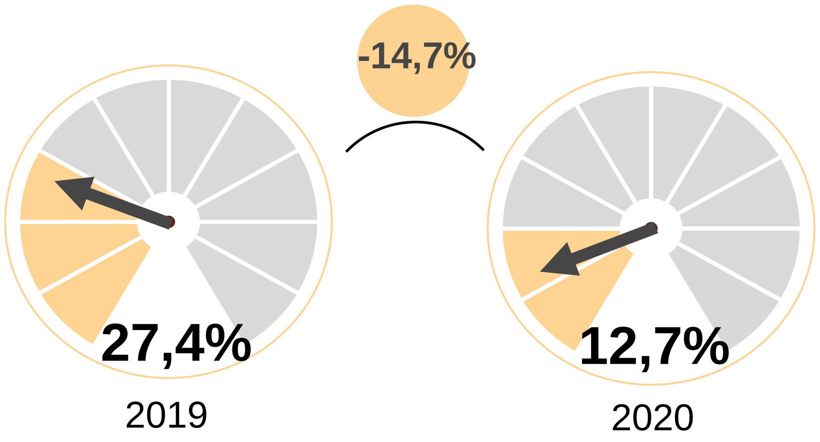
15,8 %
TTC to turnover

2,1 % Borne

13,7 % Collected

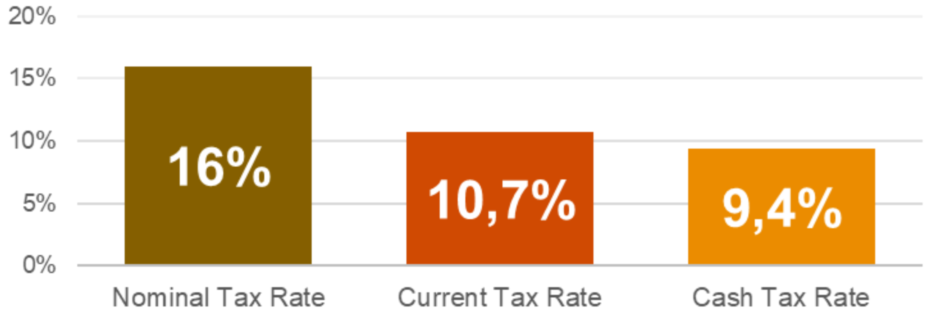
For every 100 euros of revenues generated, **15,8 euros** were used to pay taxes, of which **2,1 taxes borne** and **13,7 taxes collected**.

TTC Rate trend in 2019-2020



The 14.7% decrease is the result of the increase in profit before taxes borne for a total of 152 million euros.
The trend of the ratio is particularly affected by the non-deductible write-downs recorded in previous year, which, in line with local tax regulations, started to generate higher deductible depreciations from 2020 onwards. For further details please refer to the section “Principles of Tax Accounting in a nutshell”.

Corporate Tax Rate



The difference between the nominal tax rate and the current tax rate is mainly due to write-downs and deductible depreciations as described above.

In 2020, the cash tax rate is broadly in line with the current tax rate.

Distributed Tax Value in Romania

45%

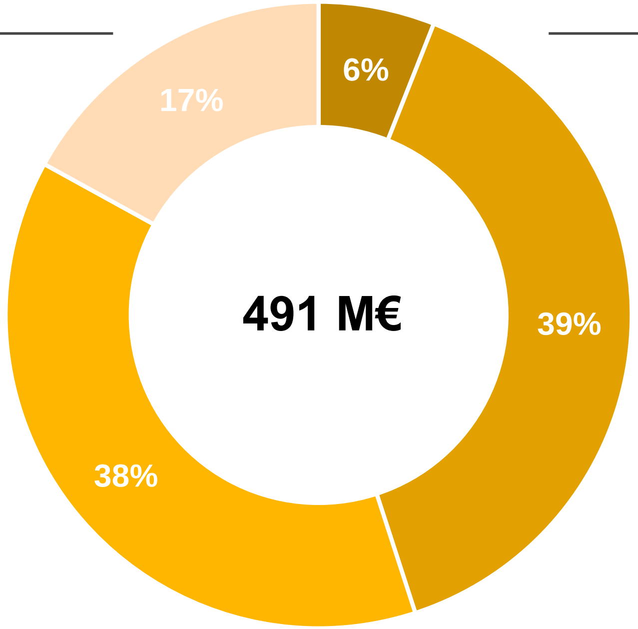
In 2020, the distributed value[1] amounted to **491 million euros**, of which **222 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

Amount: 81 M€
Percentage: 17%

Income after Tax

Amount: 188 M€
Percentage: 38%



Taxes Borne

Amount: 29 M€
Percentage: 6%

Taxes Collected

Amount: 193 M€
Percentage: 39%

[1] In cases where the amount of interest income is greater than the amount of interest expense, the value of the net interest is not considered in the calculation of the distributed value. In this case, the amount of net interest is equal to 2,7 million euros.

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **increased** by **34,6%** compared to 2019.

The increase in taxes borne is essentially attributable to an increase in profit taxes for about **7 million euros** resulting from:

- an overall increase in commercial activities in Romania which resulted in an increase in profit before income tax compared to 2019.
- payments of taxes relating to previous years incurred following a recalculation of the taxable base for income tax purposes.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **increased** by **5,0%** compared to 2019.

The increase in taxes collected is mostly the result of:

- an **increase** in taxes on products and services of approximately **7 million euros** (mainly VAT) due to:
  - an overall increase in commercial activities in Romania.
  - payments of taxes relating to previous years incurred following a recalculation of the taxable base for VAT purposes.
- an **increase** in employment taxes of around **2 million euros** due to an increase in wages and salaries.

Key figures in Peru

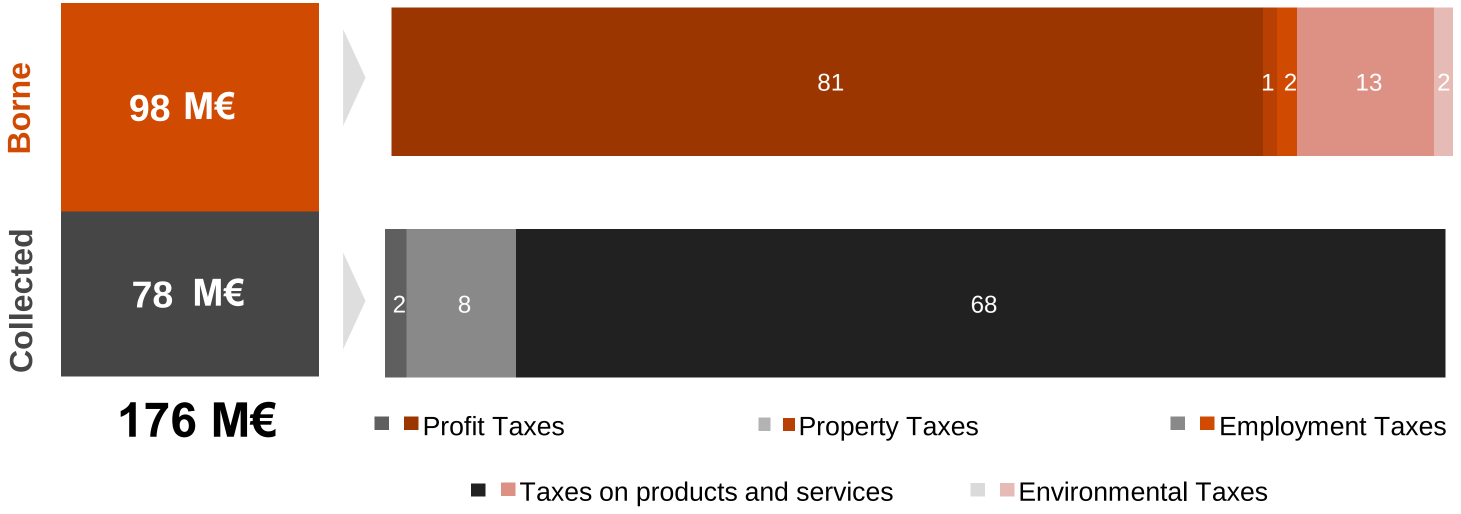
Entities	12	Profit before income tax	**269 M€**	Employees	**954**
Revenues	**1.172 M€**	Income tax accrued	**96 M€**	Wage per employee	**49.753 €**
Tangible assets	**2.276 M€**	Income tax paid	**79 M€**	Taxes per employee	**10.447 €**

34%

TTCR 2020 in Peru

Peru contributed to a total of **1%** of the Group's TTC, amounting to **176 million euros**. 56% of the Total Tax Contribution is represented by taxes borne, while the remaining 44% by taxes collected.

In Peru, profit taxes represent 43% circa of the Total Tax Contribution.



Indicators and trends of Total Tax Contribution in Peru

Indicators and trends

TTC to turnover

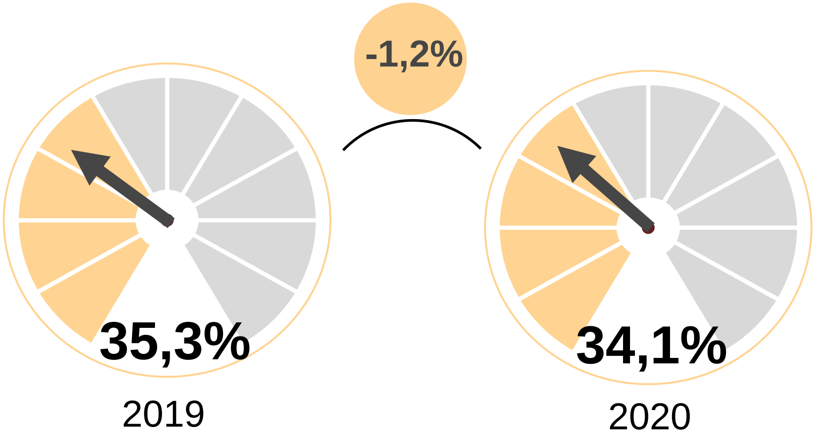
15,1 %
TTC to turnover

8,4 % Borne

6,7 % Collected

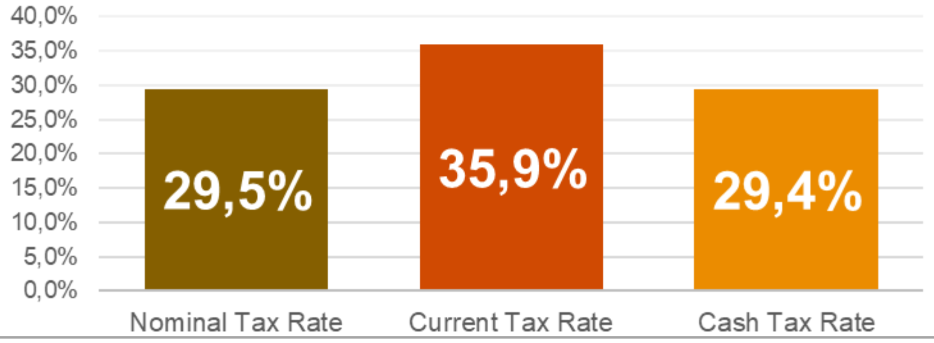
For every 100 euros of revenues generated, **15,1 euros** were used to pay taxes, of which **8,4 taxes borne** and **6,7 taxes collected**.

TTC Rate trend in 2019-2020



The TTC Rate is broadly in line with the previous year.

Corporate Tax Rate



The difference between the nominal tax rate and the current tax rate is mainly due to the following reasons: (i) non-deductible costs, (ii) the discrepancy between accounting and tax depreciation.

The cash tax rate is lower than the current tax rate due to the suspension of tax payments for the Covid-19 pandemic.

[1]For a more in-depth analysis of the differences between Local GAAP and IAS/IFRS data and their impact on tax rates, please refer to the appendix of the report

Distributed Tax Value in Peru

40%[1]

In 2020, the distributed value amounted to **436 million euros**, of which **176 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

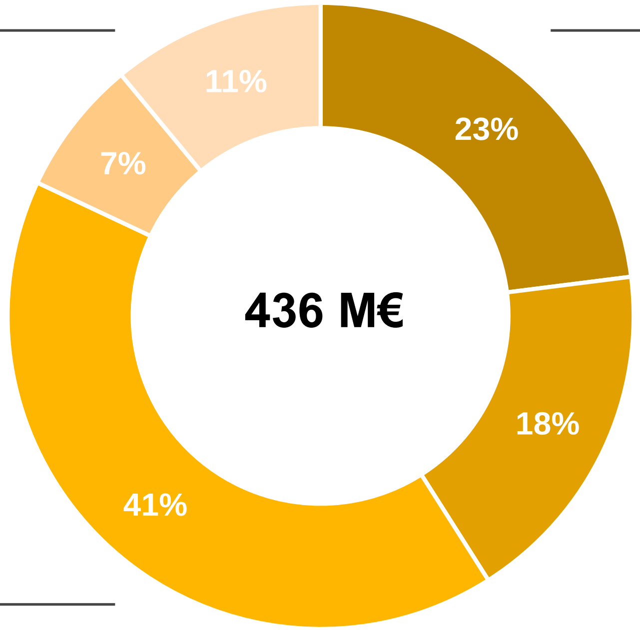
Amount: 47 M€
Percentage: 11%

Net Interest

Amount: 32 M€
Percentage: 7%

Income after Tax

Amount: 180 M€
Percentage: 41%



Taxes Borne

Amount: 98 M€
Percentage: 23%

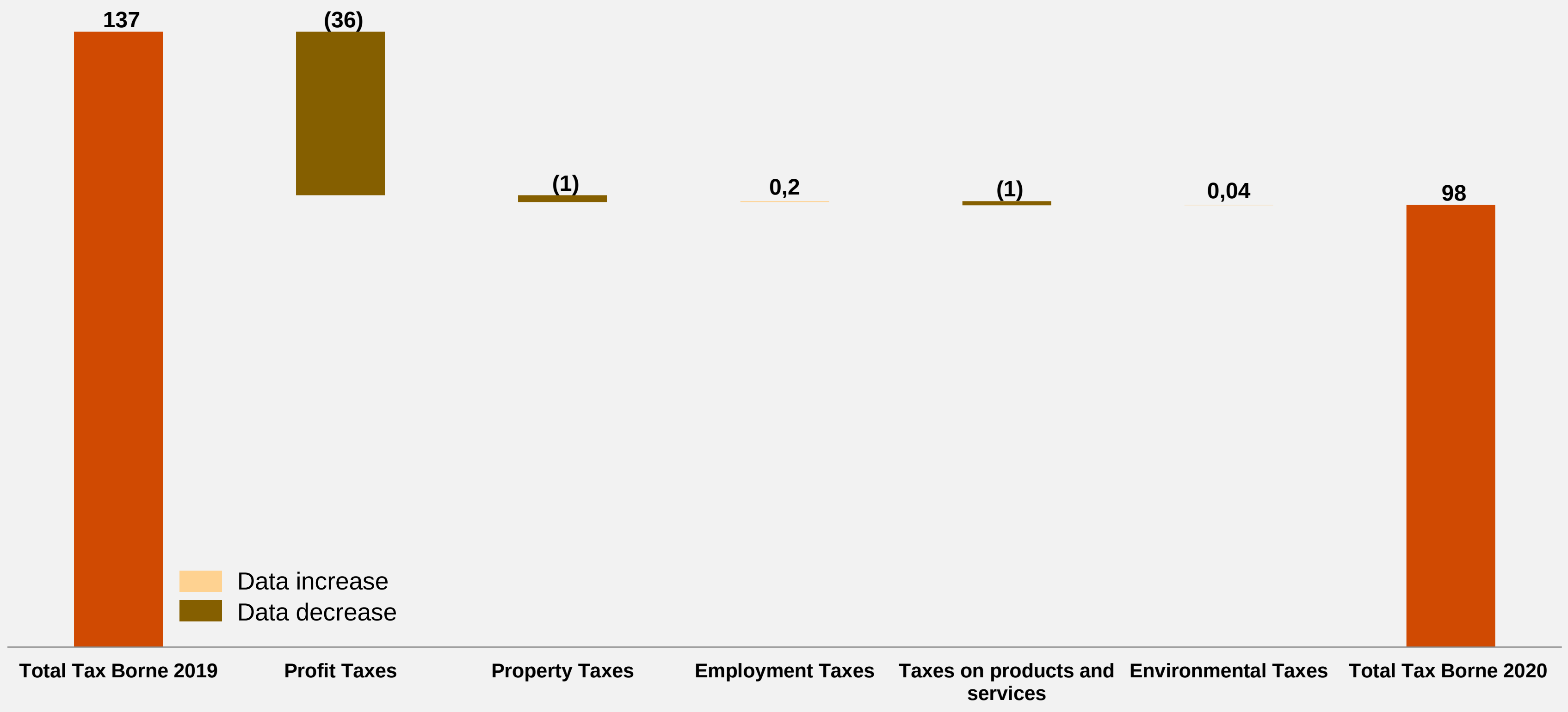
Taxes Collected

Amount: 78 M€
Percentage: 18%

[1] Numbers may not add up due to rounding. In this case, the decimal numbers are: 22,5% + 17,9% = 40,4%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **decreased** by **28,1%** compared to 2019.



The decrease in taxes borne is essentially the result of a **reduction** in profit taxes of about **36 million euros** deriving from lower advance taxes paid in 2020 compared to 2019 due to:

- tax measures introduced by local authorities to support businesses followin the Covid-19 pandemic.
- a drop in taxable income due to the Covid-19 pandemic.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **decreased** by **11,7%** compared to 2019.

The reduction in taxes collected is mainly connected to the **decrease** in taxes on products and services for about **10 million euros** which depends on the lower VAT paid due to the drop in sales and consumption of electricity and gas caused by the Covid-19 pandemic.

Key figures in Russia

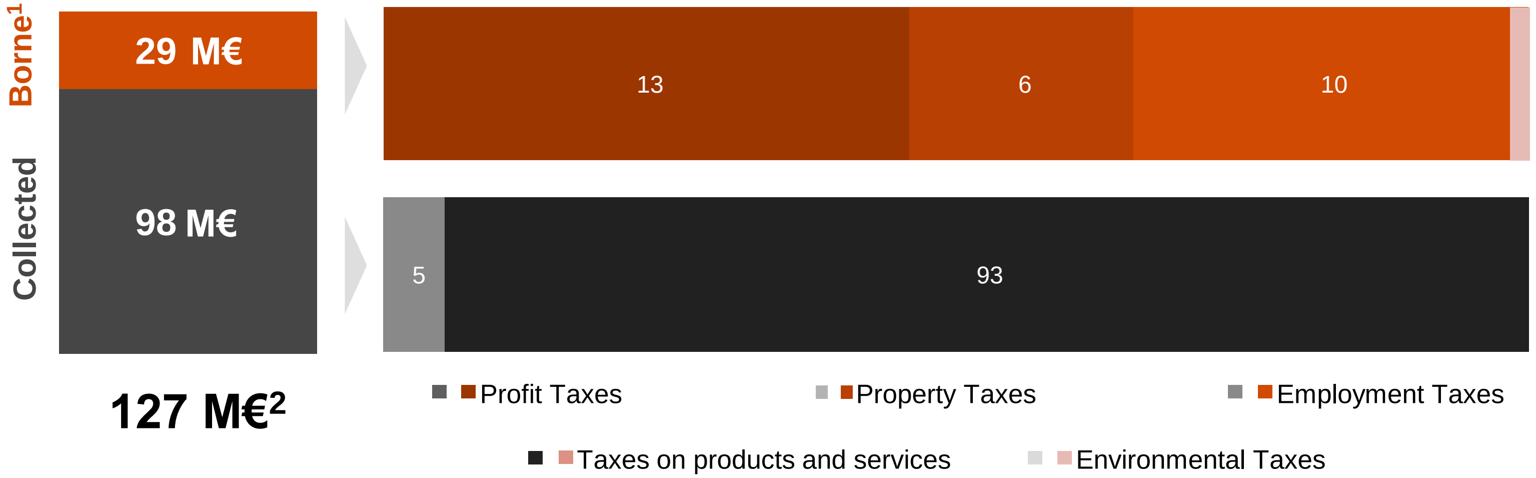
Entities	14	Profit before income tax	52 M€	Employees	1.475
Revenues	553 M€	Income tax accrued	11 M€	Wage per employee	19.874 €
Tangible assets	607 M€	Income tax paid	13 M€	Taxes per employee	10.267 €

42%

TTCR 2020 in Russia

Russia contributed to a total of **1%** of the Group's TTC, amounting to **127 million euros**. 23% of the Total Tax Contribution is represented by taxes borne, while the remaining 77% by taxes collected.

In Russia, VAT Collected represents 73% of the Total Tax Contribution.



[1] In 2020, taxes on products and services and environmental taxes (borne) amounted to 0,01 and 0,03 million euros respectively.

[2] In 2020, other payments were made to public administrations (not included in the TTC) for 11,3 million euros, of which 10,6 million euros for *Payment for water use*.

Indicators and trends of Total Tax Contribution in Russia

Indicators and trends

TTC to turnover

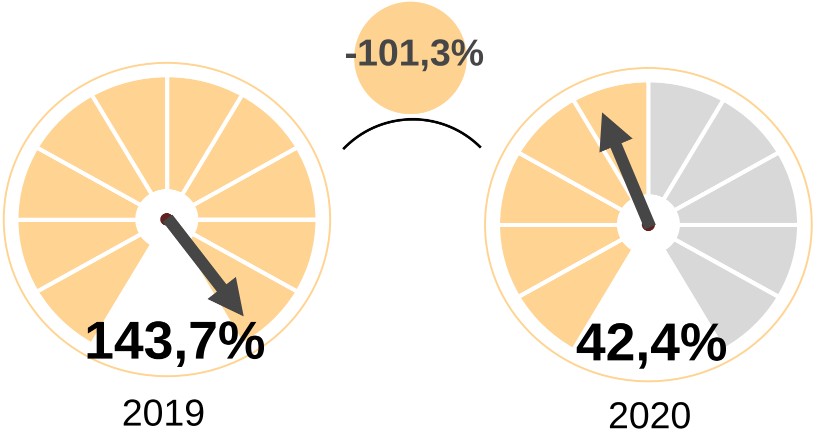
22,9 %
TTC to turnover

5,2 %
Borne

17,7 %
Collected

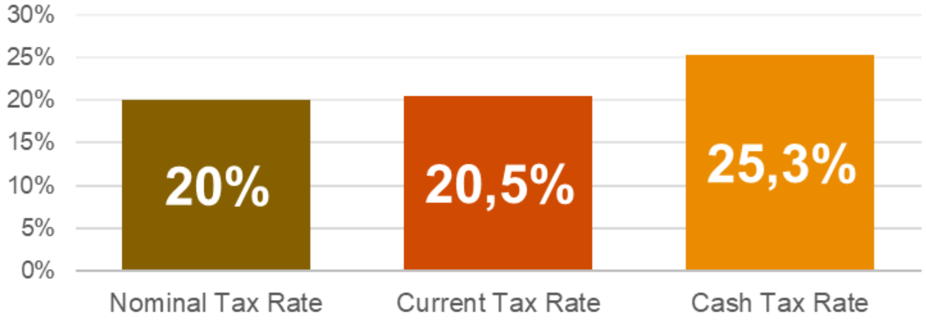
For every 100 euros of revenues generated, **22,9 euros** were used to pay taxes, of which **5,2 taxes borne** and **17,7 taxes collected**.

TTC Rate trend in 2019-2020



The decrease of the ratio is the result of both the reduction in 2020 of the taxes borne for 21 million euros and the increase in the same year of the profit before taxes borne for 34 million euros. The trend in the TTC Rate is particularly affected by the non-deductible write-downs recorded 2019 within the decarbonization process adopted by the Group for approximately €127 million, which in 2020 resulted in higher deductible depreciations. For further details please refer to the section “Principles of Tax Accounting in a nutshell”.

Corporate Tax Rate



In 2020, the current tax rate is broadly in line with the nominal tax rate.

The cash tax rate is higher than the current tax rate due to a higher 2019 taxable income reflecting the non-deductible write-downs related to the decarbonization process , which partly led to the higher balance payments in 2020.

Distributed Tax Value in Russia

61%

In 2020, the distributed value amounted to **208 million euros**, of which **127 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

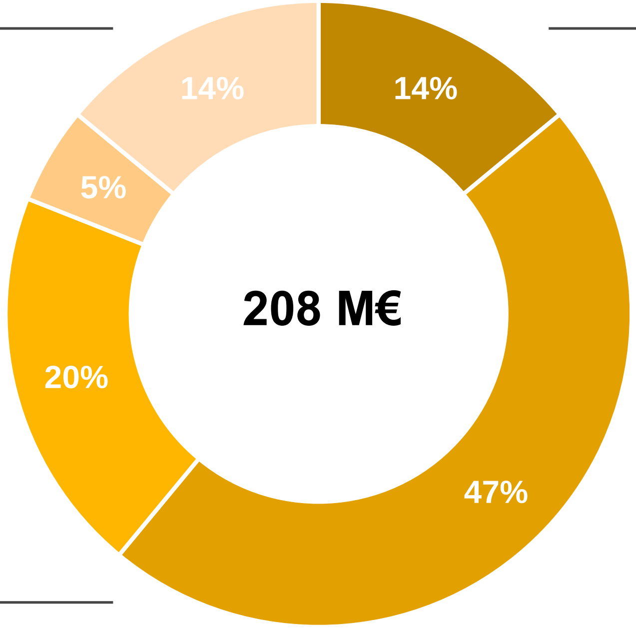
Amount: 29 M€
Percentage: 14%

Net Interest

Amount: 11 M€
Percentage: 5%

Income after Tax

Amount: 41 M€
Percentage: 20%



Taxes Borne

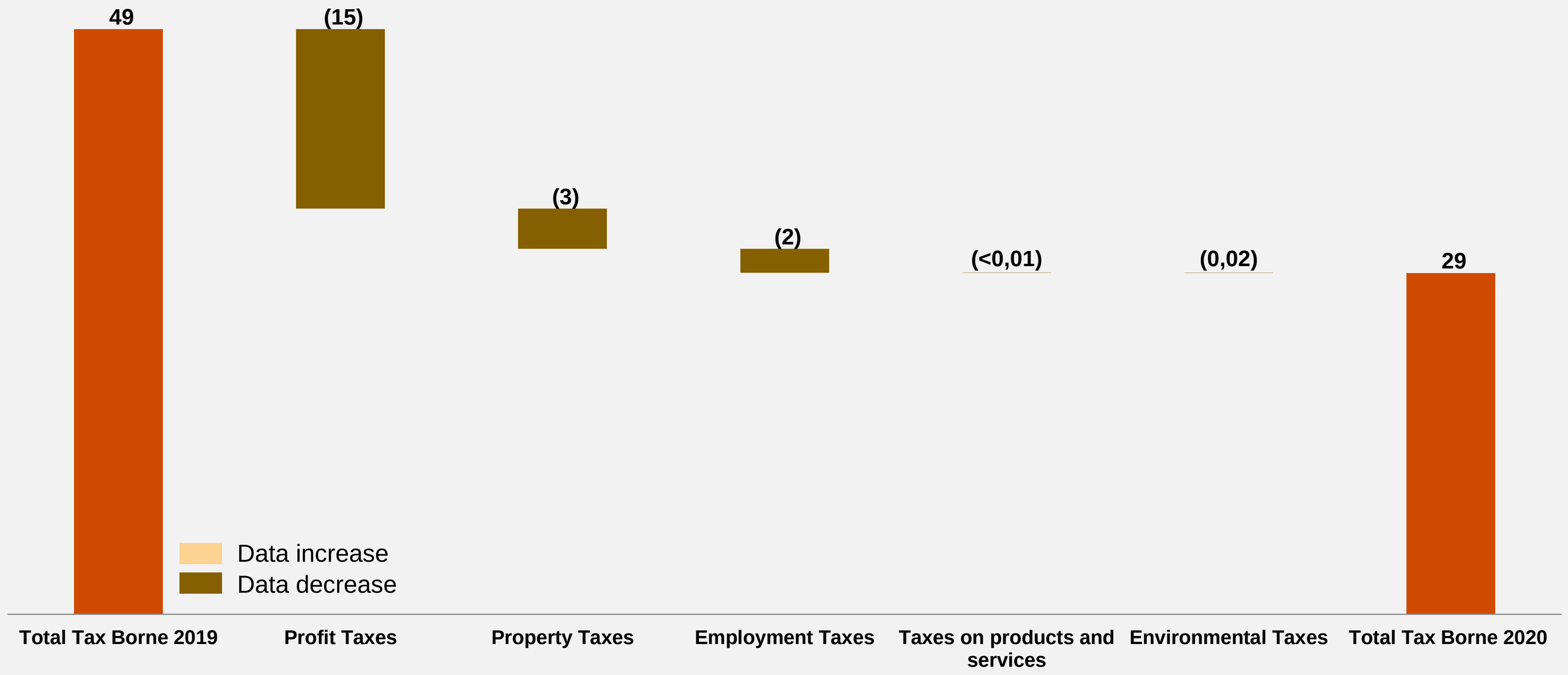
Amount: 29 M€
Percentage: 14%

Taxes Collected

Amount: 98 M€
Percentage: 47%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **decreased** by **41,7%** compared to 2019.



The reduction in taxes borne is essentially the result of:

- a **decrease** in profit taxes of approximately **15 million euros** deriving from:
  - the reduction of business activities following the disposal of the Reftinskaya GRES plant which took place at the end of 2019.
  - the decrease of taxable income due to the Covid-19 pandemic.
- a **decrease** in property taxes and employment taxes, respectively for around **3** and **2 million euros**, both connected to the disposal of the Reftinskaya GRES plant.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **increased** by **55,8%** compared to 2019.

The increase in taxes collected is essentially attributable to:

- an **increase** in taxes on products and services for about **36 million euros**, relating to the VAT paid in 2020 following the disposal of the Reftinskaya GRES plant which took place at the end of 2019.
- a slight **decrease** in employment taxes for about **1 million euros**, related to the reduction in personnel due to the disposal of the Reftinskaya GRES plant.

Key figures in USA and Canada

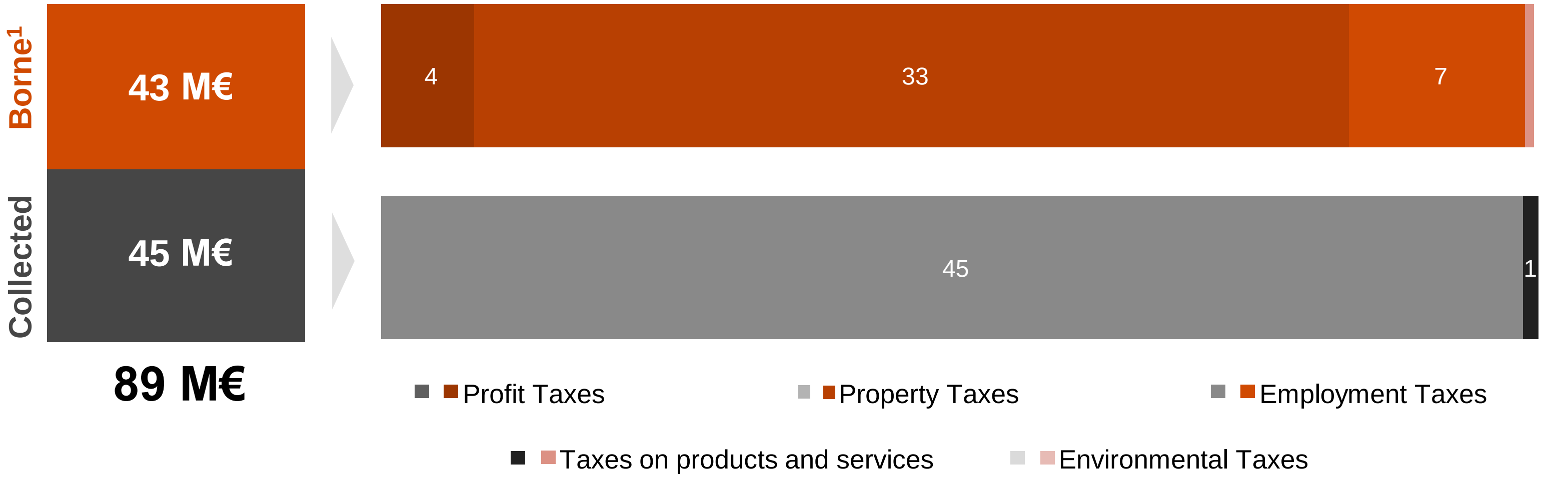
Entities	**423**	Profit before income tax	**202 M€**	Employee	**1.306**
Revenues	**1.296 M€**	Income tax accrued	**0,04 M€**	Wage per employee	**119.932 €**
Tangible assets	**7.306 M€**	Income tax paid	**4 M€**	Taxes per employee	**39.334 €**

18%

TTCR 2020 in USA and Canada

USA and Canada contributed to less than **1%** of the Group's TTC, amounting to **89 million euros**. 49% of the Total Tax Contribution is represented by taxes borne, while the remaining 51% by taxes collected.

In USA and Canada, employment taxes represent 50% circa of the Total Tax Contribution.



[1] In 2020, environmental taxes (borne) amounted to 0,3 million euros.

Indicators and trends of Total Tax Contribution in the USA and Canada

Indicators and trends

TTC to turnover

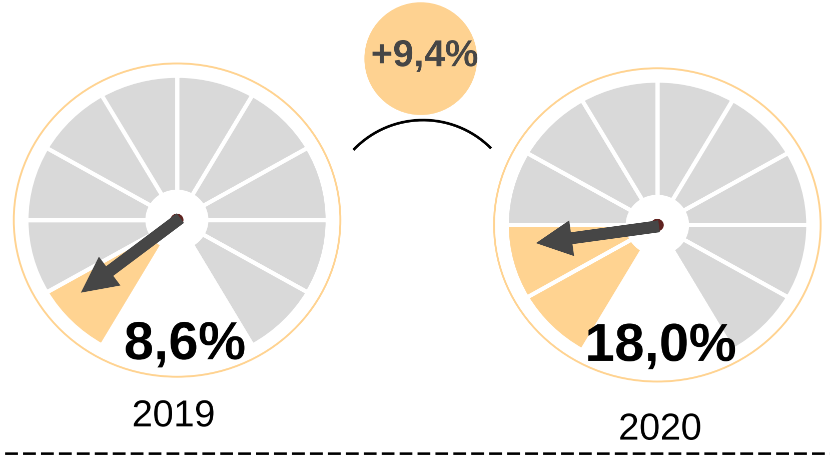
6,9 %
TTC to turnover

3,4 %
Borne

3,5 %
Collected

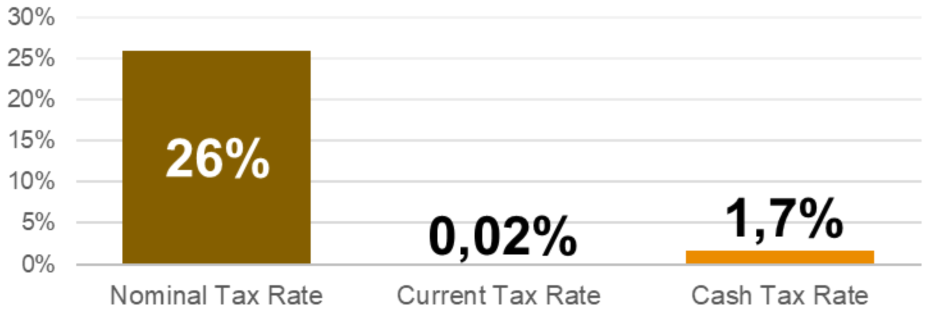
For every 100 euros of revenues generated, **6,9 euros** were used to pay taxes, of which **3,4 taxes borne** and **3,5 taxes collected**.

TTC Rate trend in 2019-2020



The 9,4% increase is mainly the result of the reduction in profit before taxes borne for 253 million euros, due to investments in wind and photovoltaic systems.

Corporate Tax Rate



In North America, tax measures are in place to stimulate the Renewable Energy business (e.g. tax credits for electricity production, immediate deduction of capitalised expenses). This explains the relatively low level of income taxes especially in financial years with a high volume of investments such as 2020.

Distributed Tax Value in USA and Canada

18%

In 2020, the distributed value amounted to **489 million euros**, of which **89 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

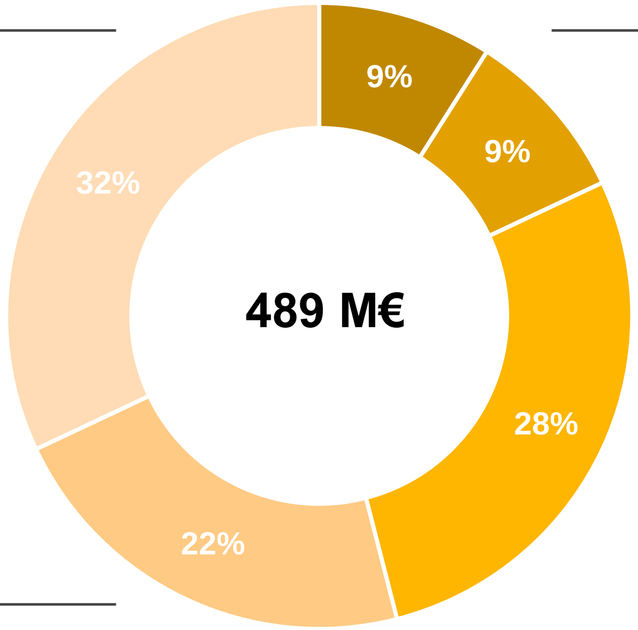
Amount: 157 M€
Percentage: 32%

Net Interest

Amount: 107 M€
Percentage: 22%

Income after Tax

Amount: 137 M€
Percentage: 28%



Taxes Borne

Amount: 43 M€
Percentage: 9%

Taxes Collected

Amount: 45 M€
Percentage: 9%

Taxes Borne trend between 2019 and 2020

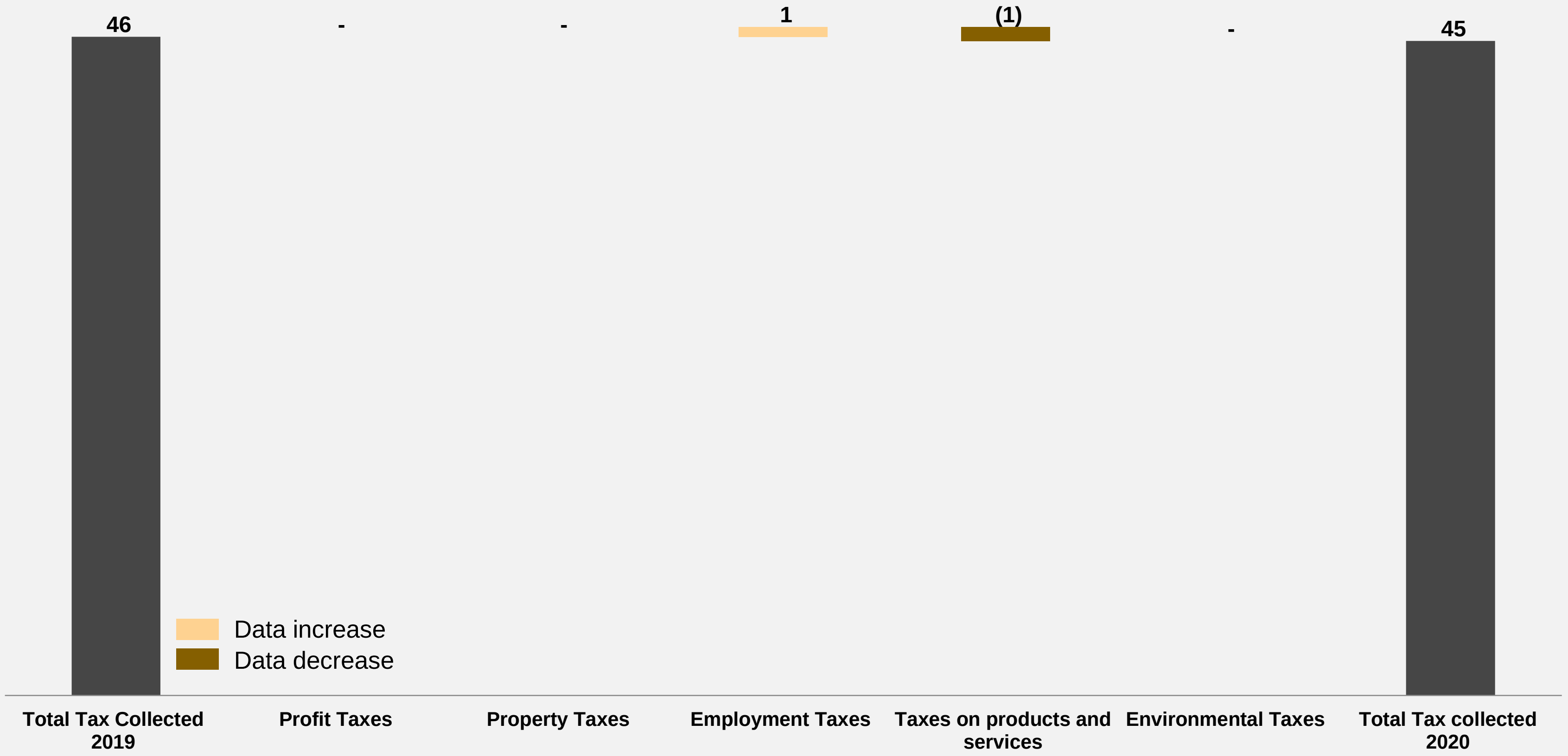
In 2020, taxes borne **increased** by **2,0%** compared to 2019.

The trend in taxes borne is the result of:

- an **increase** in property taxes for about **6 million euros** resulting from the purchase of new wind and solar assets.
- a **decrease** in employment taxes for approximately **6 million euros** arising from the deferral of the payment of a portion of social security contributions granted by the local authorities following COVID-19.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected are in line with 2019. A slight **decrease** of **0,6%** is recorded.



The trend in taxes collected is the result of:

- a **decrease** in taxes on products and services for about **1 million euros** resulting from the lower VAT paid in 2020, due to the ending in 2019 of two projects to which a significant part of the VAT paid in 2019 was referred.
- an **increase** in employment taxes for approximately **1 million euros** mainly due to the higher employment tax withholdings paid in relation to the severance payments.

Key figures in the Netherlands

Entities	6	Profit before income tax	302 M€	Employees	20
Revenues[1]	427 M€	Income tax accrued	75 M€	Wage per employee	73.017 €
Tangible assets	0,09 M€	Income tax paid	43 M€	Taxes per employee	34.910 €

15%

TTCR 2020 in the Netherlands

The Netherlands contributed to less than **1%** of the Group's TTC, amounting to **60 million euros**. 74% of the Total Tax Contribution is represented by taxes borne, while the remaining 26% by taxes collected.

In the Netherlands, profit taxes represent 65% circa of the Total Tax Contribution.

[1] Only for purposes of the Netherlands country section, the item Revenues considers, in relation to financial activities, the net interest income (i.e. net interest income/expense), in line with the reporting practices generally followed in the banking sector. For more details please see the Glossary.

[2] In 2020, employment taxes (taxes borne) amounted to 0,2 million euros.

Indicators and trends of Total Tax Contribution in the Netherlands

Indicators and trends

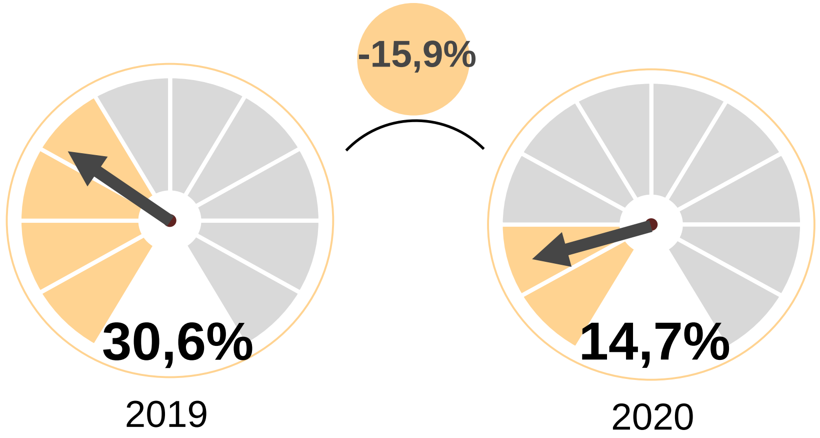
TTC to turnover

14,1 %
TTC to turnover

- **10,4 %** Borne
- **3,7 %** Collected

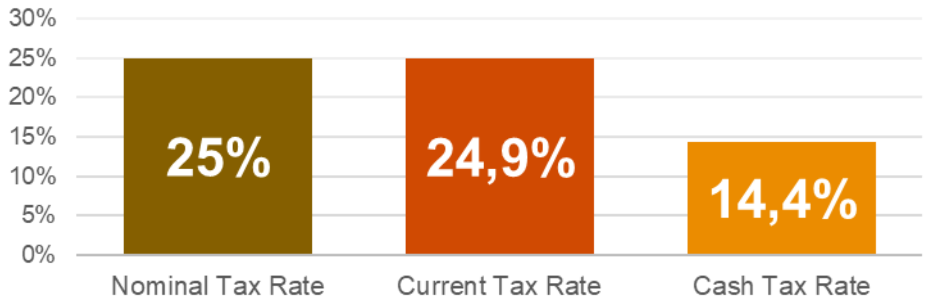
For every 100 euros of revenues generated, **14,1 euros** were used to pay taxes, of which **10,4 taxes borne** and **3,7 taxes collected**.

TTC Rate trend in 2019-2020



The ratio in 2020 is affected by the extraordinary income from the assignment of receivables, that will be followed by payment of taxes in 2021.

Corporate Tax Rate



In 2020, the current tax rate is broadly in line with the nominal tax rate.
The difference between the current tax rate and the cash tax rate is mostly due to the method of determining the tax payments. The advance taxes paid in 2020 were in fact calculated using the historical method on the basis of a lower taxable income in previous years. The resulting differential will be paid in the future years.

Distributed Tax Value in the Netherlands

13%

In 2020, the distributed value amounted to **459 million euros**, of which **60 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

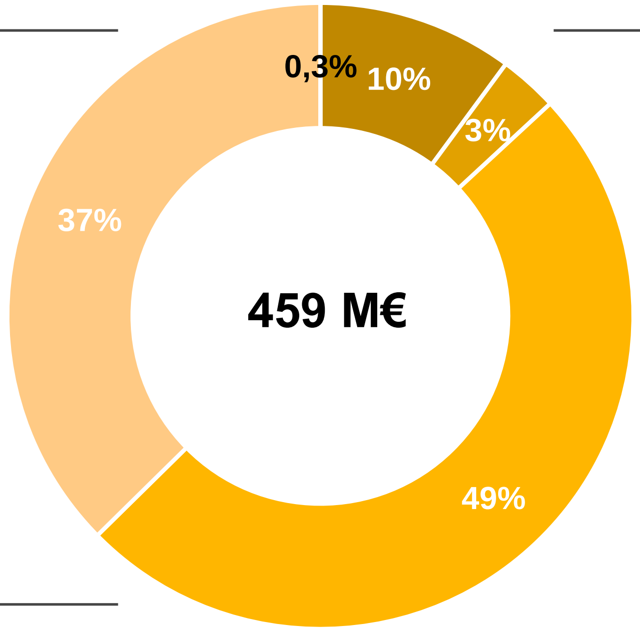
Amount: 1,5 M€
Percentage: 0,3%

Net Interest

Amount: 171 M€
Percentage: 37%

Income after Tax

Amount: 227 M€
Percentage: 49%



Taxes Borne

Amount: 44 M€
Percentage: 10%

Taxes Collected

Amount: 16 M€
Percentage: 3%

Taxes Borne trend between 2019 and 2020

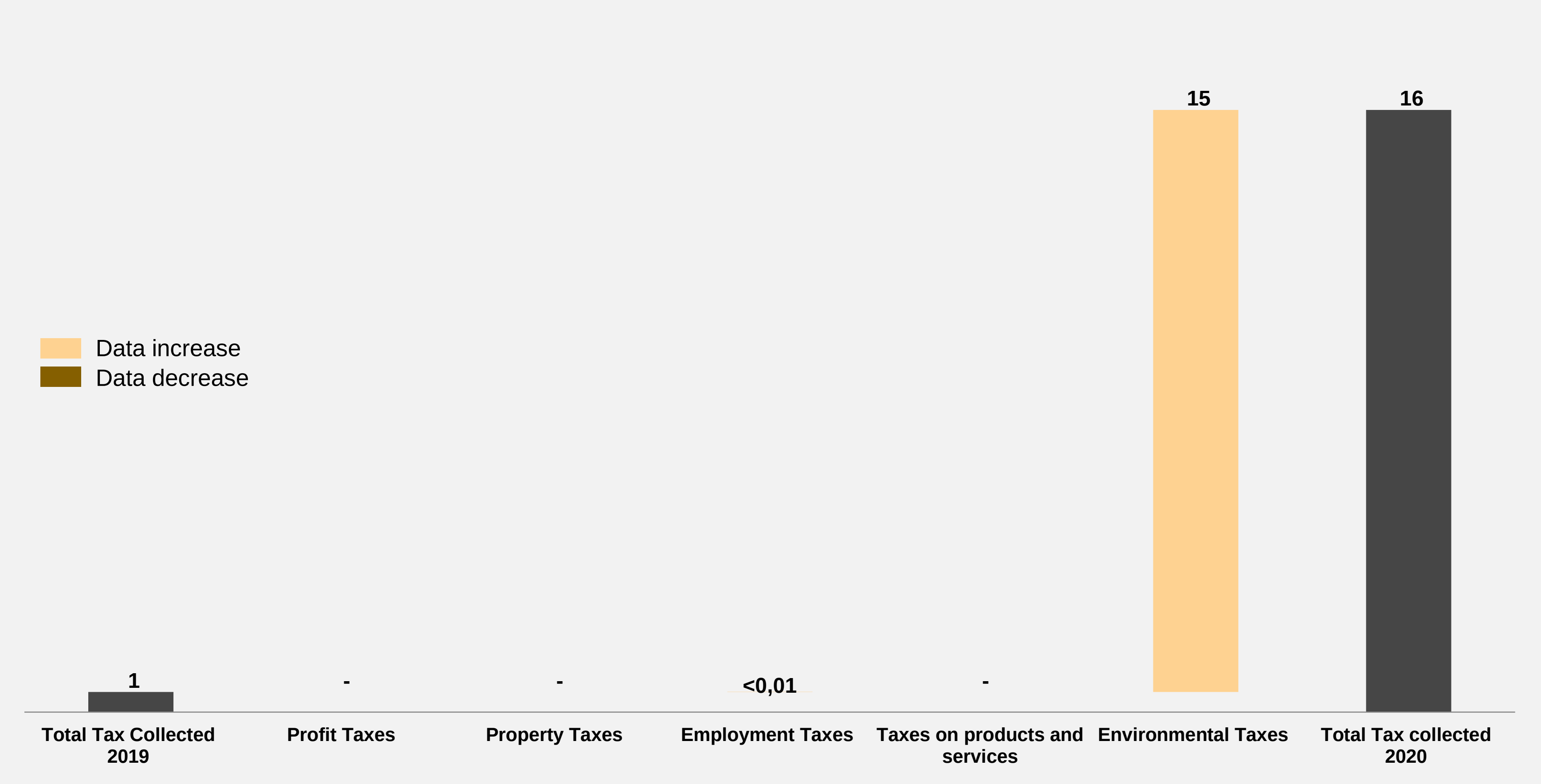
In 2020, taxes borne **decreased** by **8,8%** compared to 2019.

The reduction in taxes borne is mainly related to the **decrease** in profit taxes for about **5 million euros** resulting from:

- a **reduction** in the withholding taxes incurred in relation to interest paid by Enel group foreign entities. These withholdings were reduced following the termination of certain financing agreements.
- an **increase** in taxes paid in 2020 for 2019, based on the determination of the actual taxable income for 2019.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **increased** compared to 2019.



The increase in taxes collected is mainly related to the **increase** in environmental taxes for about **15 million euros** which is due to higher taxes on electricity and natural gas withheld from consumers[1].

The increase in these taxes results from the start of commercial activities in the Netherlands by Endesa Energia's branch from January 2020.

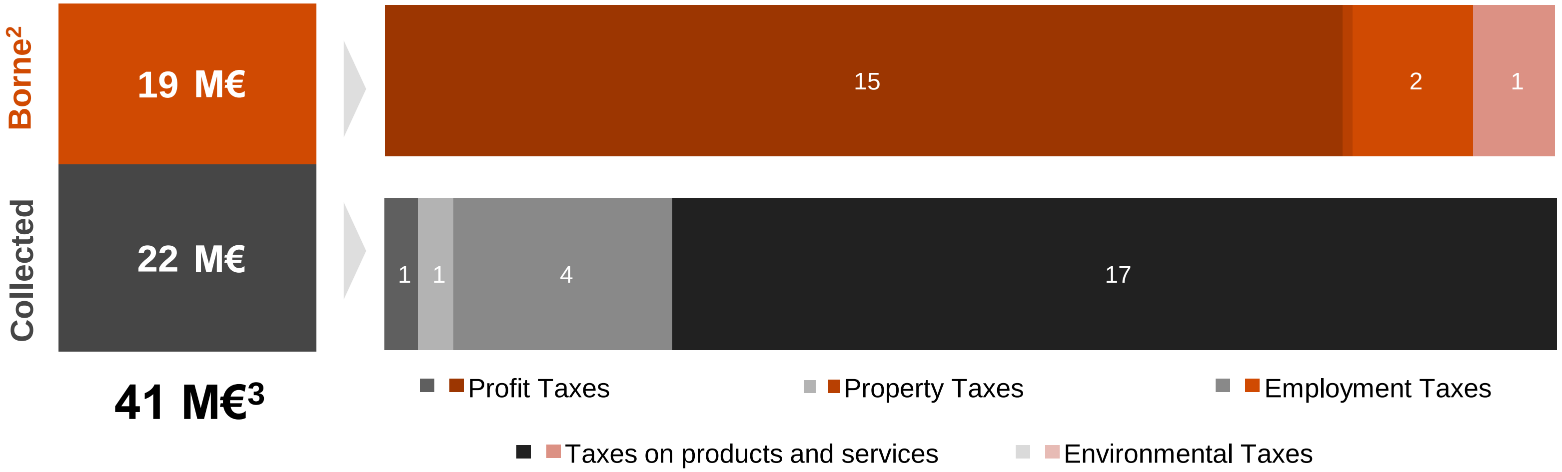
[1]These are taxes on the consumption of electricity and natural gas (i.e. *Energiebelasting* and *Opslag Duurzame Energie, ODE*) aimed at discouraging the inefficient use of unsustainable energy. These taxes, which are borne by end consumers, are collected by the energy suppliers and paid to the Dutch tax authorities.

Key figures in Mexico

Entities	27	Profit before income tax	- 33 M€	Employees	333
Revenues	168 M€	Income tax accrued	9 M€	Wage per employee	41.970 €
Tangible assets	1.207 M€	Income tax paid	15 M€	Taxes per employee	18.166 €

Mexico[1] contributed to less than **1%** of the Group's TTC, amounting to **41 million euros**. 46% of the Total Tax Contribution is represented by taxes borne, while the remaining 54% by taxes collected.

In Mexico, profit taxes represent 38% circa of the Total Tax Contribution.



[1]TTC rate has not been calculated when Enel is in a loss-making position.
[2]In 2020, property taxes (borne) amounted to 0,2 million euros.
[3]In 2020, other payments were made to public administrations (not included in the TTC) for 0,3 million euros.

Indicators and trends of Total Tax Contribution in Mexico

Indicators and trends

TTC to turnover

24,4 %
TTC to turnover

11,3 % Borne

13,1 % Collected

For every 100 euros of revenues generated, **24,4 euros** were used to pay taxes, of which **11,3 taxes borne** and **13,1 taxes collected**.

TTC Rate trend in 2019-2020

2019	2020
N.A.[1]	**N.A.**[1]

Despite a negative profit before taxes borne in 2020 also in 2020, mainly due to the contraction in sales revenues, the increase in operating expenses and in financial charges, taxes borne for 19 million were nevertheless paid. In the case of negative profit before taxes borne, it was not possible to calculate the ratio.

Corporate Tax Rate

In the case of negative profit before income tax, the ratios have not been calculated.

[1] Due to the loss incurred, the TTC Rate indicator has not been calculated and has been indicated as N.A.

Distributed Tax Value in Mexico

33%

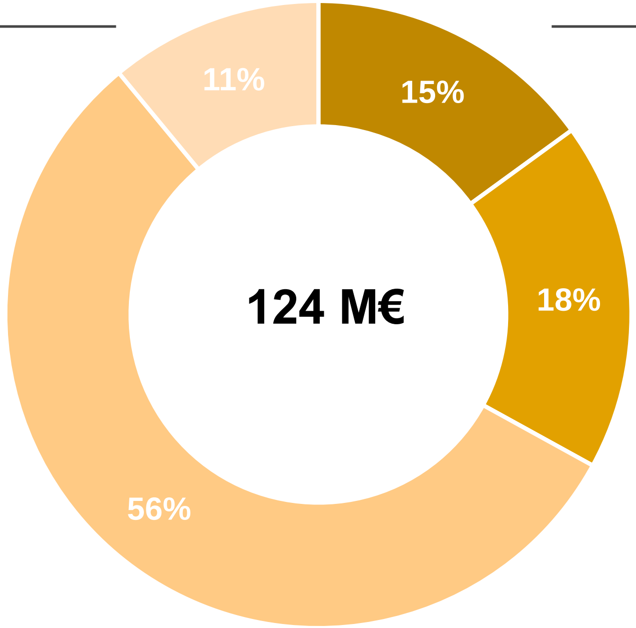
In 2020, the distributed value[1] amounted to **124 million euros**, of which **41 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

Amount: 14 M€
Percentage: 11%

Net Interest

Amount: 69 M€
Percentage: 56%



Taxes Borne

Amount: 19 M€
Percentage: 15%

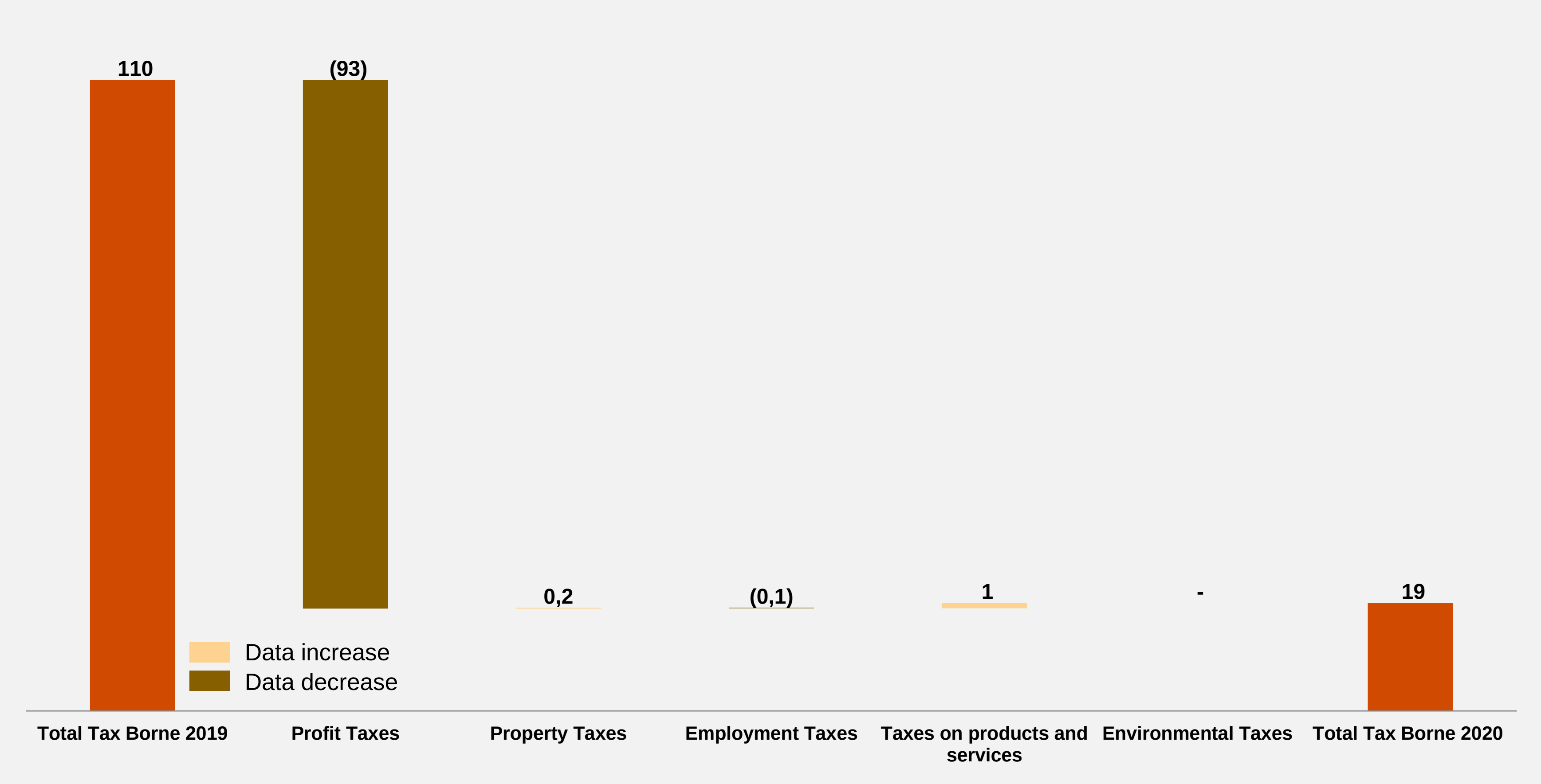
Taxes Collected

Amount: 22 M€
Percentage: 18%

[1] In cases where Enel is in a loss-making position, the amount of income after taxes is not considered in the calculation of the distributed tax value. In this case, the amount of income after tax is equal to - 35 million euros.

Taxes Borne trend between 2019 and 2020

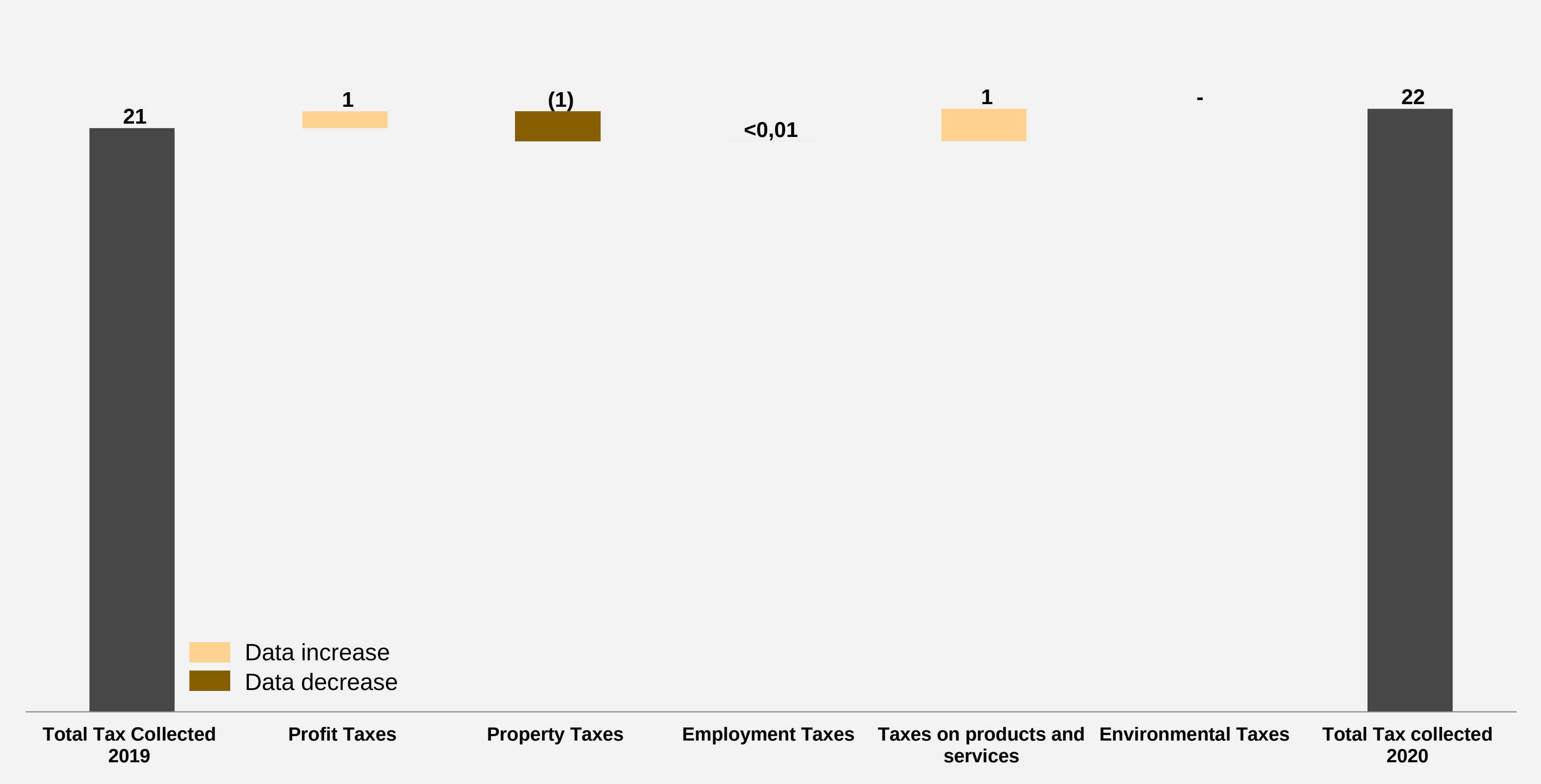
In 2020, taxes borne **decreased** by **82,9%** compared to 2019.



The decrease in taxes borne is essentially related to the reduction in profit taxes for approximately **93 million euros**, due to one-off taxes paid in 2019 in relation to an extraordinary operation carried out by Enel under the "*Build, Sell and Operate*" model (BSO), involving the sale of 80% of the share capital of eight companies owning operating and under construction plants.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected are in line with 2019. A slight **increase** of **3,3%** is recorded.



The trend in taxes collected is the result of:

- an **increase** in taxes on products and services for about **1 million euros** deriving mainly from the higher VAT paid in 2020 compared to 2019. The VAT paid increased as a result of:
  - a reduction in the VAT receivables offset, relating to previous years.
  - an increase in commercial activities by two Mexican entities.
- an **increase** in profit taxes of approximately **1 million euros** deriving mainly from higher withholdings tax applied on interest paid.
- a **decrease** in property taxes of approximately **1 million euros** mainly resulting from lower withholding taxes on lease payments made in 2020 compared to 2019. In 2019, the payment of some rent installments relating to 2020 was advanced.

Key figures in Panama

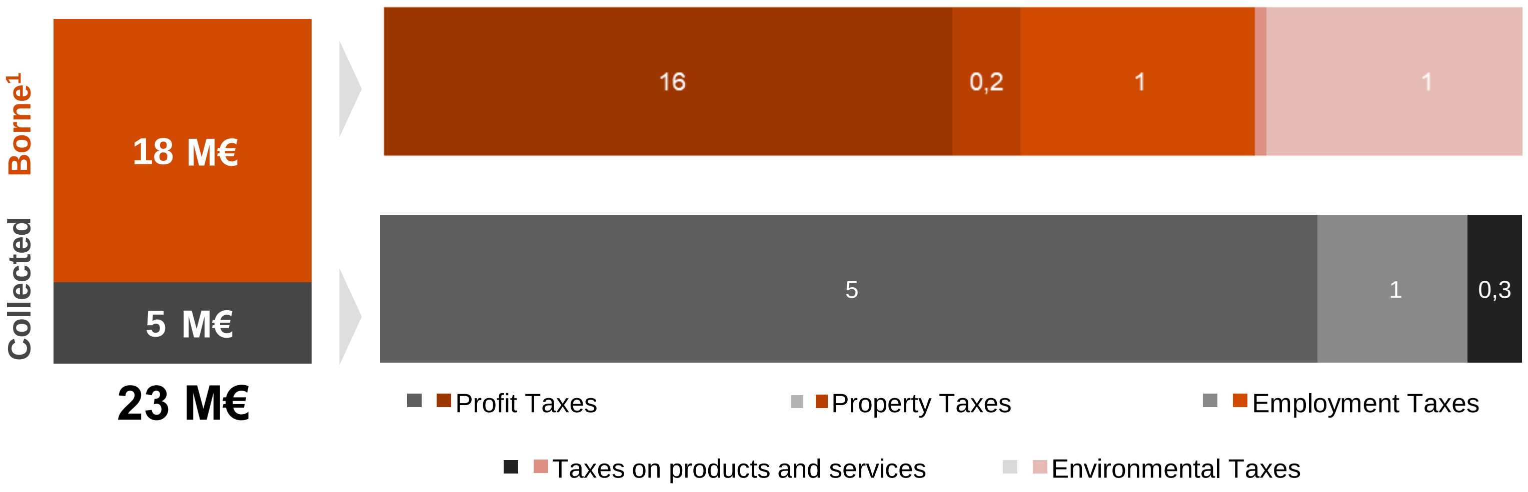
Entities	9	Profit before income tax	83 M€	Employees	99
Revenues	137 M€	Income tax accrued	27 M€	Wage per employee	37.645 €
Tangible assets	339 M€	Income tax paid	16 M€	Taxes per employee	13.026 €

21%

TTCR 2020 in Panama

Panama contributed to less than **1%** of the Group's TTC, amounting to **23 million euros**. 76% of the Total Tax Contribution is represented by taxes borne, while the remaining 24% by taxes collected.

In Panama, profit taxes represent 68% circa of the Total Tax Contribution.



[1] In 2020, taxes on products and services (borne) amounted to 0,03 million euros.

[2] In 2020, other payments were made to public administrations (not included in the TTC) for 0,02 million euros.

Indicators and trends of Total Tax Contribution in Panama

Indicators and trends

TTC to turnover

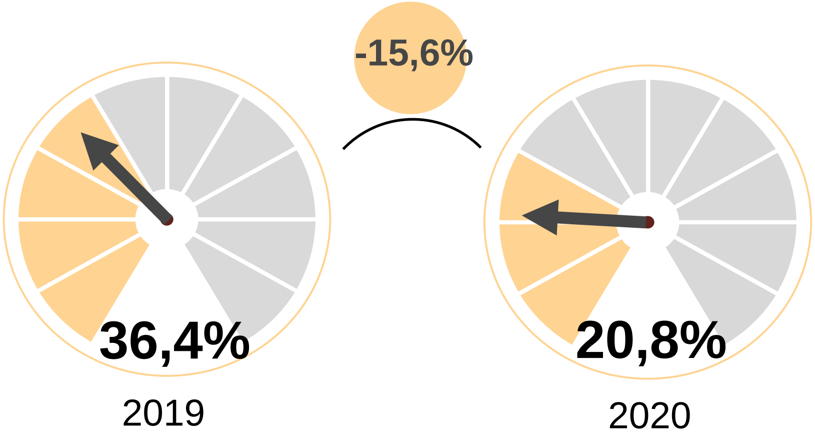
16,9 %
TTC to turnover

12,9 %
Borne

4,0 %
Collected

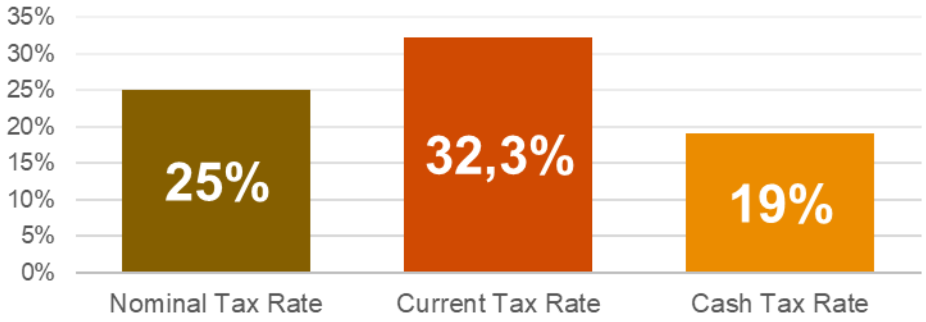
For every 100 euros of revenues generated **16,9 euros,** were used to pay taxes, of which **12,9 taxes borne** and **4,0 taxes collected**.

TTC Rate trend in 2019-2020



The 15,6% decrease is the result of a reduction in taxes borne (17 million euros) which is more than proportional compared to the reduction in profit before taxes borne (11 million euros). The reduction in taxes borne is due to lower advanced taxes paid as a result of the suspension of payments in the context of the pandemic and the application of the historical method (the payments on account decreased following the reduction in taxable income). Instead, the reduction in profit before taxes borne is mainly due to (i) a decrease in Hydro generation and (ii) a drop in market prices due to the contraction in energy demand. For further details please refer to the section "Principles of Tax Accounting in a nutshell".

Corporate Tax Rate



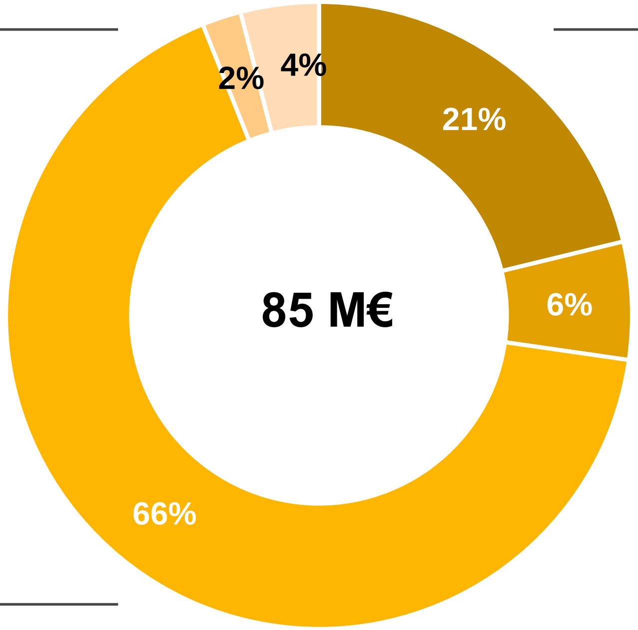
The difference between the nominal tax rate and the current tax rate is mainly due to the company Enel Fortuna, 50% controlled by the Panamanian government and owner of one of the largest hydroelectric plants in Central America, subject to a higher nominal tax rate than the general tax rate of the country (i.e. 30%).

The cash tax rate is lower than the current tax rate due to the suspension of payments mentioned above.

Distributed Tax Value in Panama

27%

In 2020, the distributed value amounted to **85 million euros**, of which **23 million** were paid to public administrations in the form of taxes borne and collected.



Wages and Salaries

Amount: 4 M€
Percentage: 4%

Net Interest

Amount: 2 M€
Percentage: 2%

Income after Tax

Amount: 56 M€
Percentage: 66%

Taxes Borne

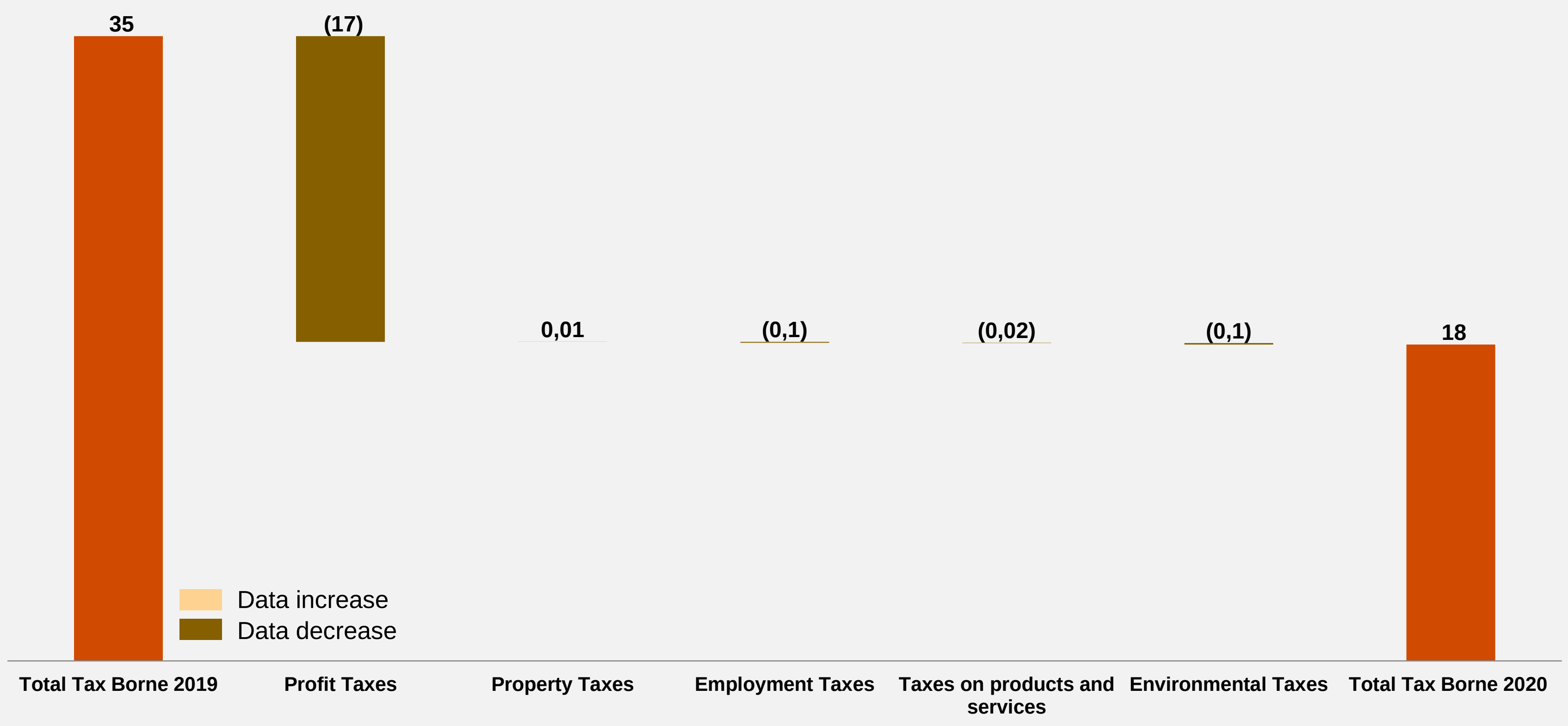
Amount: 18 M€
Percentage: 21%

Taxes Collected

Amount: 5 M€
Percentage: 6%

Taxes Borne trend between 2019 and 2020

In 2020, taxes borne **decreased** by **49,4%** compared to 2019.



The reduction in taxes borne is mainly related to the **decrease** in profit taxes for about **17 million euros** resulting from lower advanced taxes paid in 2020 compared to 2019 due to:

- a reduction in taxable income between 2018 and 2019. Advanced taxes paid in 2020 were calculated using the historical method and decreased due to the reduction in taxable income between 2018 and 2019.
- tax measures introduced by local authorities to support businesses following the Covid-19 pandemic.

Taxes Collected trend between 2019 and 2020

In 2020, taxes collected **increased** by **16,6%** compared to 2019.

The increase in taxes collected is mainly due to an **increase** of approximately **1 million euros** in profit taxes, attributable to an increase in withholding taxes on payments to third-party suppliers.

Key figures in Guatemala

Entities	6	Profit before income tax	17 M€	Employees	86
Revenues	46 M€	Income tax accrued	2 M€	Wage per employee	41.061 €
Tangible assets	310 M€	Income tax paid	2 M€	Taxes per employee	3.973 €

15%

TTCR 2020 in Guatemala

Guatemala contributed to less than **1%** of the Group's TTC, amounting to **7 million euros**. 37% of the Total Tax Contribution is represented by taxes borne, while the remaining 63% by taxes collected.

In Guatemala, profit taxes represent 27% circa of the Total Tax Contribution.

[1] In 2020, taxes on products and services (taxes borne) were equal to 0,01 million euros.
[2] In 2020, other payments were made to public administrations (not included in the TTC) for 0,004 million euros.

Indicators and trends of Total Tax Contribution in Guatemala

Indicators and trends

TTC to turnover

15,3 %
TTC to turnover

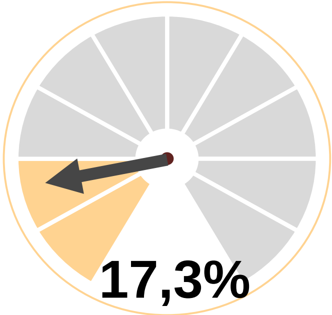
5,6 % Borne

9,7 % Collected

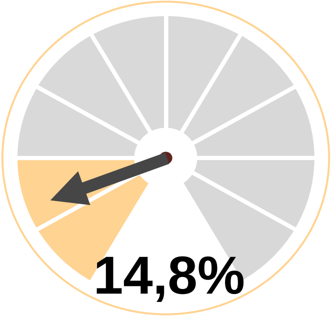
For every 100 euros of revenues generated **15,3 euros,** were used to pay taxes, of which **5,6 taxes borne** and **9,7 taxes collected**.

TTC Rate trend in 2019-2020

-2,5%



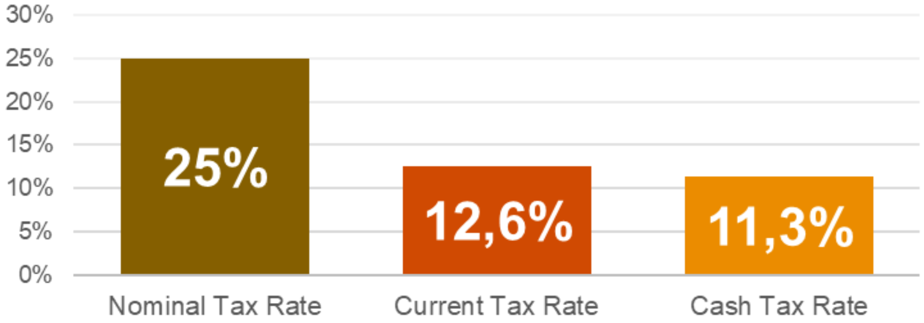
2019



2020

The decrease of 2,5% is the result of the increase in profit before taxes borne (3 million euros) that is than proportional compared to the increase in taxes borne (0,1 million euros) The increase of profit before taxes borne reflects the combined effect of a reduction in costs and an increase in revenues due to higher energy generation.

Corporate Tax Rate



The difference between the nominal tax rate and the current tax rate is mainly due to incentives[1] in place at local level for the sale of energy from renewable sources.

In 2020, the cash tax rate is broadly in line with the current tax rate.

[1]Some companies use the optional taxation regime based on gross revenues rather than profit.

Distributed Tax Value in Guatemala

28%

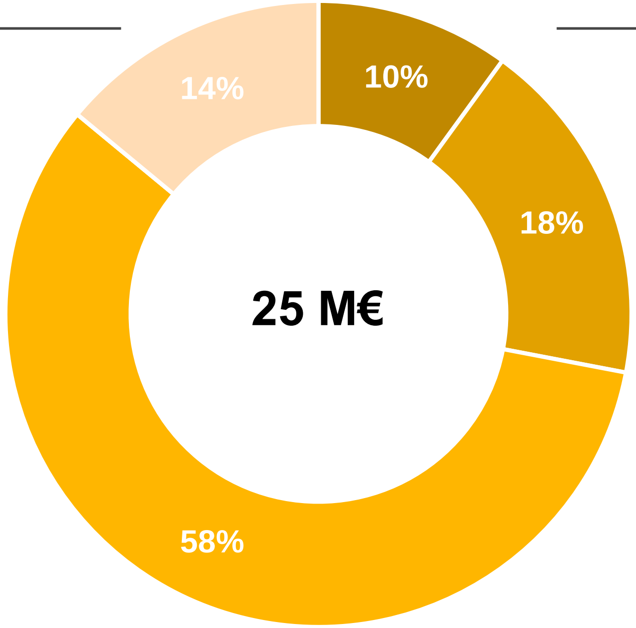
In 2020, the distributed value amounted to **25 million euros**, of which **7 million euros** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

Amount: 4 M€
Percentage: 14%

Income after Tax

Amount: 15 M€
Percentage: 58%



Taxes Borne

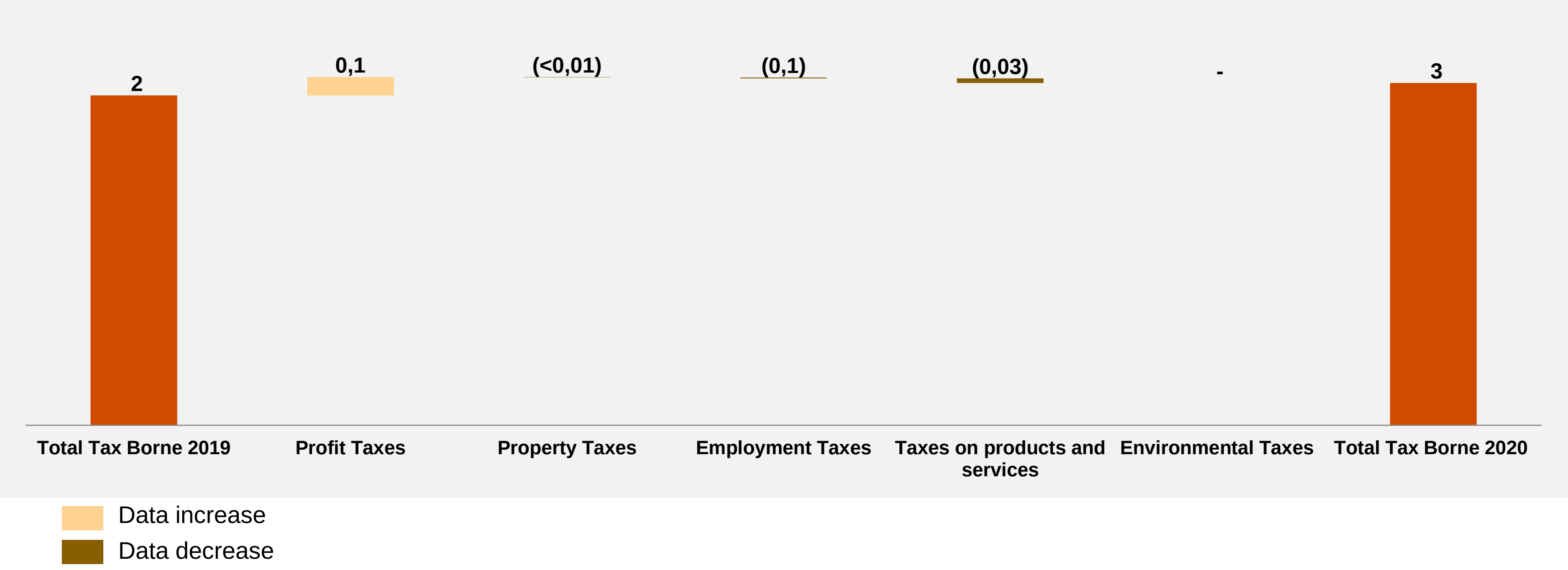
Amount: 3 M€
Percentage: 10%

Taxes Collected

Amount: 4 M€
Percentage: 18%

[1] In cases where the amount of interest income is greater than the amount of interest expense, the value of the net interest is not considered in the calculation of the distributed value. In this case, the amount of net interest is 0,2 million euros.

Taxes Borne and Collected trend between 2019 and 2020



In 2020, the Taxes Borne are in line with 2019. A slight increase of 3,8% is recorded (equal to approximately 0,1 million euros).

The trend in taxes borne is the result of:

- a slight **increase** in profit taxes deriving mainly from the change in the taxation regime to which one of the Enel Guatemala entity is subject.
- a **decrease** in taxes on products and services deriving mainly from a lower stamp duty paid in 2020 compared to 2019, when higher taxes were paid following the conclusion of a contract.

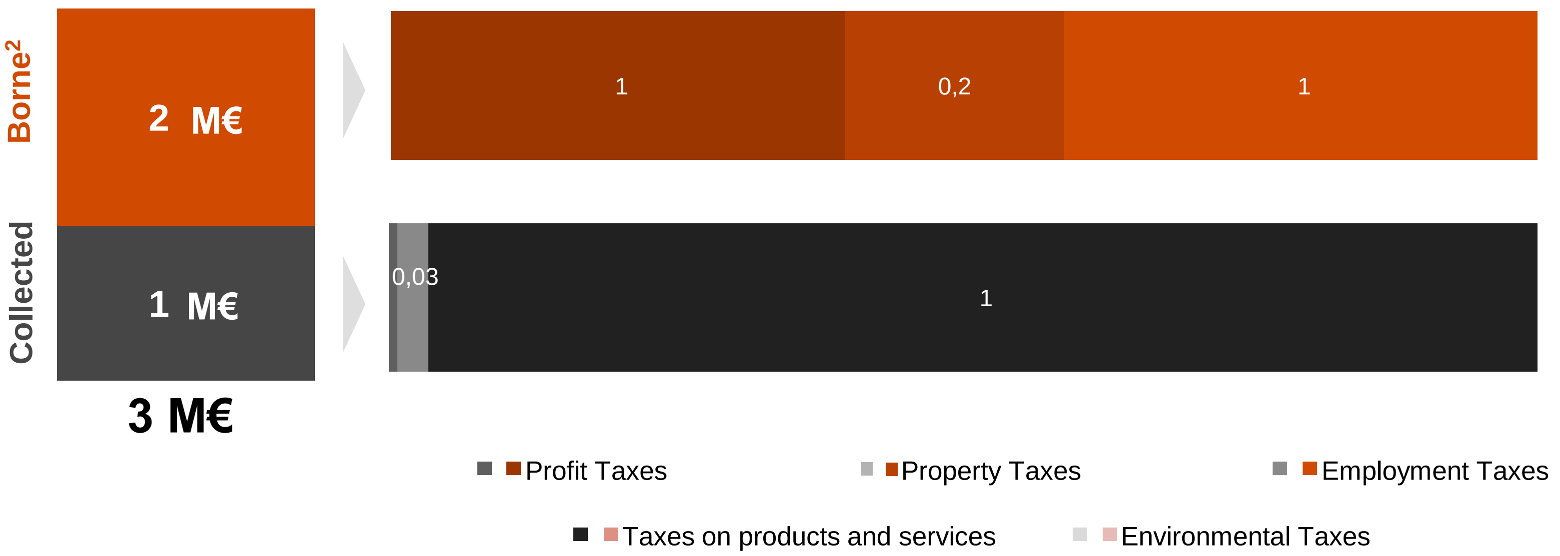
In 2020, the taxes collected are in line with 2019. In fact, a slight increase of 3,8% (equal to approximately 0,2 million euros) is recorded.

Key figures in Costa Rica

Entities	6	Profit before income tax	- 5 M€	Employees	37
Revenues	22 M€	Income tax accrued	1 M€	Wage per employee	45.751 €
Tangible assets	145 M€	Income tax paid	0,4 M€	Taxes per employee	15.472 €

Costa Rica[1] contributed to less than **1%** of TTC of the Group as a whole, amounting to **3 million euros**. 58% of the Total Tax Contribution is represented by taxes borne, while the remaining 42% by taxes collected.

In Costa Rica, VAT Collected represents 40% of Enel's total tax contribution.



[1]TTC rate has not been calculated when Enel is in a loss-making position.

[2]In 2020, profit taxes (taxes collected) amounted to 0,01 M€

Indicators and trends of Total Tax Contribution in Costa Rica

Indicators and trends

TTC to turnover

12,9 %
TTC to turnover

7,5 %
Borne

5,4 %
Collected

For every 100 euros of revenues generated, **12,9 euros** were used to pay taxes, of which **7,5 taxes borne** and **5,4 taxes collected**.

TTC Rate trend in 2019-2020

2019	2020
N. A.[1]	**N. A.**[1]

Despite a negative profit before taxes borne also in 2020, taxes borne for 2 million were nevertheless paid. In the case of negative profit before taxes borne, it was not possible to calculate the ratio.

Corporate Tax Rate

In the case of negative profit before income tax, the ratios have not been calculated.

[1] Due to the loss incurred, the TTC Rate indicator has not been calculated and has been indicated as N.A.

Distributed Tax Value in Costa Rica

25%

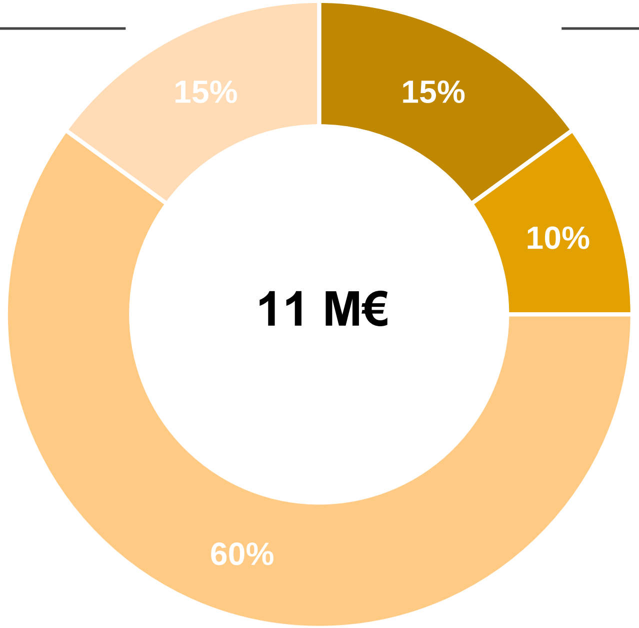
In 2020, the distributed value[1] amounted to **11 million euros**, of which **3 million** were paid to public administrations in the form of taxes borne and collected.

Wages and Salaries

Amount: 2 M€
Percentage: 15%

Net Interest

Amount: 7 M€
Percentage: 60%



Taxes Borne

Amount: 2 M€
Percentage: 15%

Taxes Collected

Amount: 1 M€
Percentage: 10%

[1] In cases where Enel is in a loss-making position, the amount of income after tax is not considered in the calculation of the distributed tax value. In this case, the amount of income after tax is equal to - 6 M€.

Taxes Borne and Collected trend between 2019 and 2020

In 2020, Taxes Borne decreased by 61,0% compared to 2019.

The reduction in taxes borne is mainly related to the **decrease** in profit taxes from approximately **3 million euros** deriving from:

- tax receivables arising from excess advance taxes paid in 2019, offset in 2020;
- a drop in the activity of some production plants.

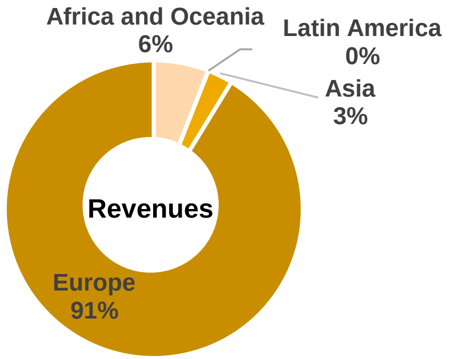
In 2020, Taxes Collected decreased by 56,7% compared to 2019.

The reduction in taxes collected is mainly related to the **decrease** in taxes on products and services of approximately 1 million euros deriving from:

- tax receivables arising from excess advance taxes paid in 2019, offset in 2020;
- a drop in the activity of some production plants.

6. Analysis of data from minor countries

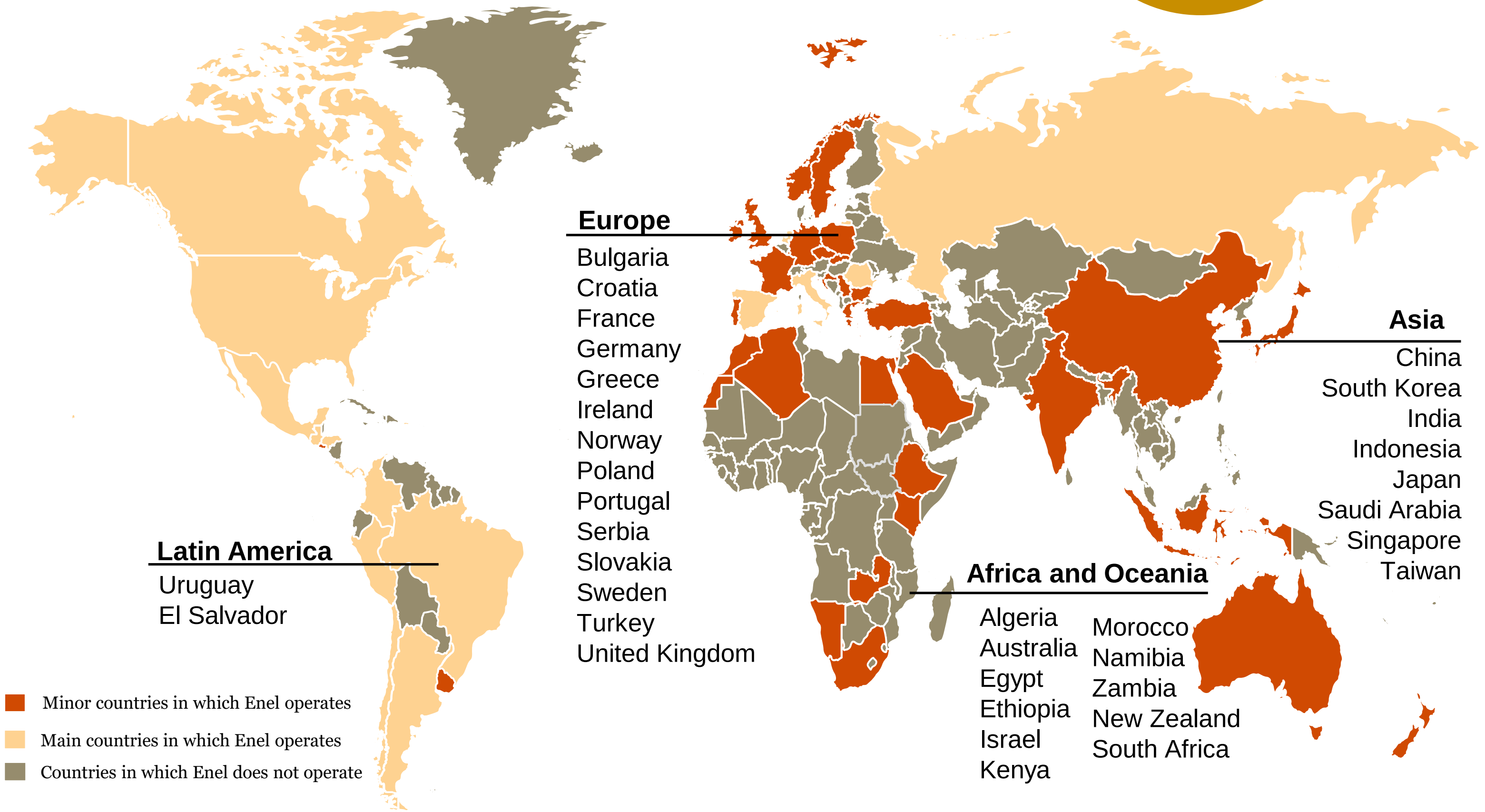
Detail of the other countries in which Enel operates



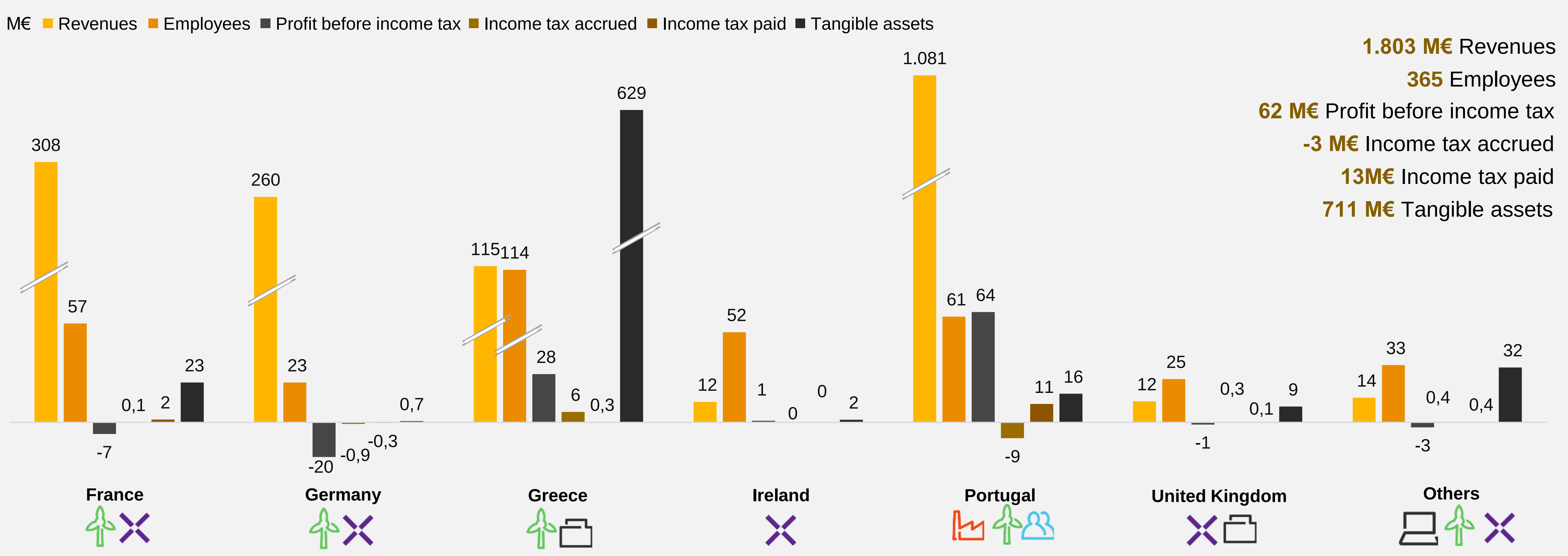
For the sake of completeness the following is a summary of minor countries, for which only income tax accrued and income tax paid are represented.

Minor **countries** represent **2%** of **revenues** and **1%** of the **income tax paid** of the Group.

Entities	151
Revenues	1.975 M€
Tangible assets	2.024 M€
Profit before income tax	5,3 M€
Income tax accrued	- 2,4 M€
Income tax paid	15 M€
Employees	1.062



Key figures by geographical area - Europe



- In **Germany** operating losses were recorded, mainly due to extraordinary events which entailed additional costs.
- In **France** there are entities in the start-up phase.
- In other European countries, the Group is present through entities in the pre-operational phase and/or in liquidation that have overall intangible values. For this reason these countries have been aggregated.

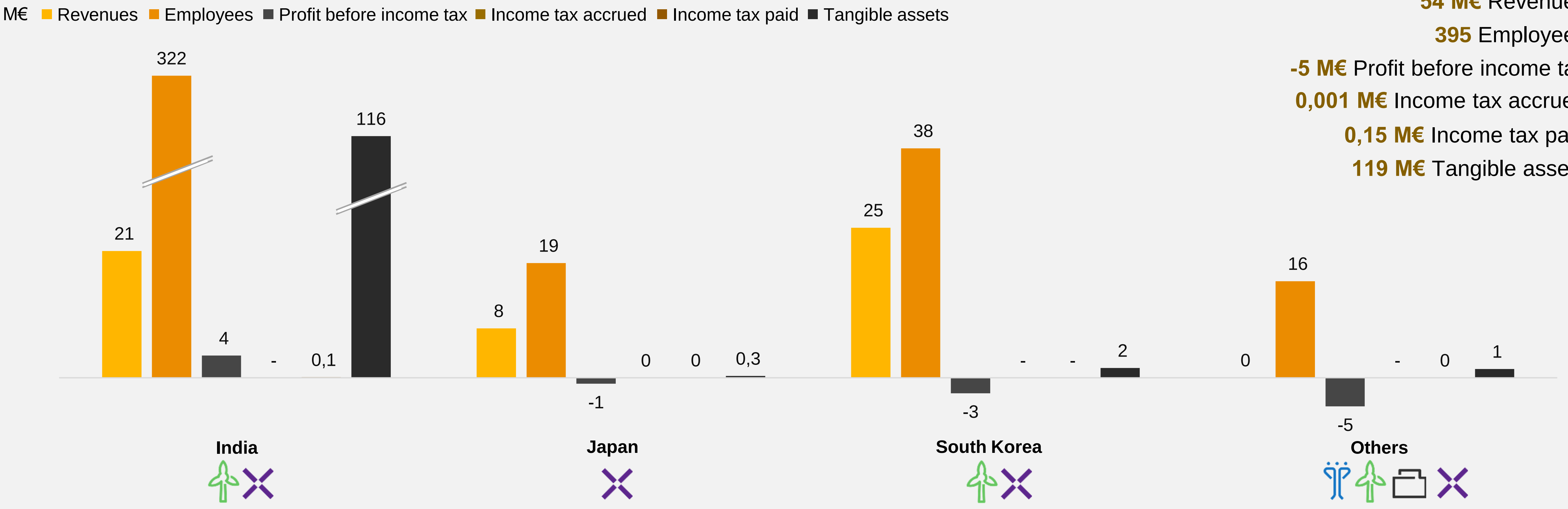
The “Others” category includes the following countries: Croatia, Norway, Poland, Serbia, Slovakia, Sweden, Turkey. As of December 31, 2020, the entity in Bulgaria is not included in the perimeter of Enel Group.
Values have been rounded to 0 if less than 0,05.

Key figures by geographical area - Africa and Oceania

- In **Zambia** operating losses were recorded, mainly due to extraordinary events which entailed additional costs.
- In **Australia**, **Morocco** and **South Africa** there are entities in the start-up phase.
- In the other countries of Africa and Oceania, the Group is present through entities in the pre-operational phase and/or in liquidation that have overall intangible values. For this reason these countries have been aggregated.

The “Others” category includes the following countries: Algeria, Egypt, Ethiopia, Israel, Kenya, Namibia.
Values have been rounded to 0 if less than 0,05.

Key figures by geographical area - Asia



54 M€ Revenues
395 Employees
-5 M€ Profit before income tax
0,001 M€ Income tax accrued
0,15 M€ Income tax paid
119 M€ Tangible assets

- In **India** there are entities in the start-up phase.
- In the other Asian countries, the Group is present through entities in the pre-operational phase and/or in liquidation that have overall intangible values. For this reason these countries have been aggregated.

The “Others” category includes the following countries: Saudi Arabia, China, Indonesia, Singapore, Taiwan.

Values have been rounded to 0 if less than 0,05.

7. Comparative Indicators

Comparison of the ETR of Enel Group with that of the comparable companies in the electricity sector

The benchmarking of the effective tax rate (Effective Tax Rate – ETR) was performed on the basis of data of main peers of Enel Group. The potential list of such peers is published on “Value Today”[1] and the data represents the largest electric utility companies in the world, as of January 2020. In particular, data used in this analysis refers to the first 20 groups with the highest market shares.

The list of peers includes the following[2]: NextEra Energy, Dominion Energy, Duke Energy Corporation, Southern Company, Iberdrola, China Yangtze Power, TC Energy Corporation, American Electric Power Company, Exelon Corporation, Orsted A/S, National Grid, Sempra Energy, Engie, EDF, Xcel Energy, Edison, Public Services Enterprise Group and WEC Energy Group.

All the peers that have a significant market share on the electric energy market have been considered while performing the benchmarking study, provided that the respective financial data have been available in public sources. The data relating to the year 2020 has been analyzed.

For the calculation of the Effective Tax Rate, the information relating to profit before taxes and income taxes was obtained from the financial statements of the entities/groups published on their respective websites.

[1] https://www.value.today/world-top-companies/electric-utilities

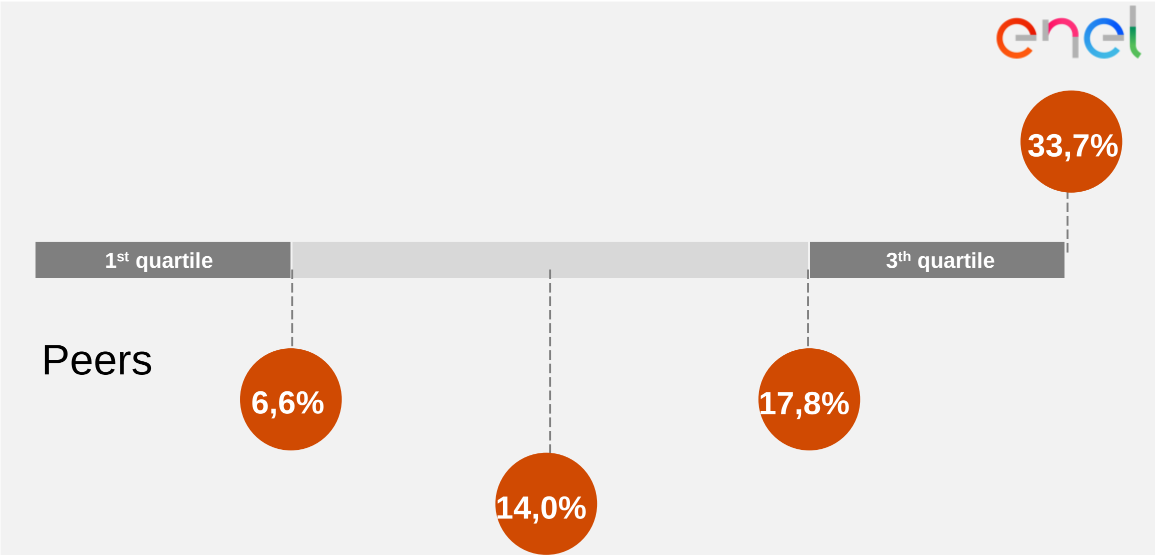
[2] The remaining 2 groups by market shares are Enel and Endesa.

In addition, in order to exclude extreme deviations in the ETRs of similar peers, the following adjustments were made:

- Excluded all entries with loss making results of the companies, or with negative amount of tax reported in the financial statements (since in such cases the ETR throws a negative figure)[3].
- Excluded the extreme cases by applying the inter quartile range to the ETR of the peers This facilitates identification of the range of average results within which the majority of the companies are situated. The approach has been explained in more detail in Appendix.

[3] Data of Duke Energy Corporation, Engie and Xcel Energy were not considered.

Comparison of the ETR of Enel Group with that of the comparable companies in the electricity sector



In 2020, the effective rate[1] (ETR) of the Enel Group was equal to **33,7%** and it is significantly higher than the median ETR of other peers in the same industry.

Income tax paid by Enel Group in 2020 amounted to **1.841 million euros**, equivalent to **33,7%** of profit before income tax (**5.463 M€**), while income tax paid in 2019 amounted to **836 million euros**, equivalent to **19,4%** of profit before income tax (**4.312 M€**).

[1] For the purposes of computing the ETR, profit before income tax and income taxes are sourced from Enel S.p.A. consolidated financial statements.

The increase in taxes in 2020 compared with 2019 is essentially attributable to the deferred tax assets associated with the effect of the impairments recognized in 2019 as part of the decarbonization process undertaken by the Group. In addition, the tax burden increased in reflection to the following events that occurred in 2019 compared to 2020:

- the release of 494 million euros in deferred taxes by Enel Distribuição São Paulo following the merger with Enel Brasil Investimentos Sudeste SA (Enel Sudeste);
- the application of the “patent box” regime on the basis of the agreement reached with the Italian tax authorities, which provides for preferential taxation of 2019 earnings resulting from the use of intellectual property, for 53 million euros;
- a decrease in taxes recognized in Argentina for a total of 35 million euros by two generation companies, as a result of exercising the “revalúo impositivo” subsidized regime, which allows the remeasurement of certain assets for tax purposes resulting in the recognition of deferred tax assets and the greater deductibility of future depreciation;
- the reversal of deferred tax liabilities by EGPNA, as an ancillary effect of the acquisition of a number of companies from EGPNA REP;
- the tax deductibility of goodwill deriving from the merger of GasAtacama into Enel Generación Chile.

8. Appendix/Glossary

Principles of Tax Accounting in a nutshell

This section of the Report aims to provide a series of "learning pills" useful for understanding the factors that most impact the accounting of taxes and their payment over time, representing in the simplest and most synthetic way the complicated rules of tax treatment. Starting from the concepts and differences between current taxes, taxes paid and theoretical taxes, certain more specific topics with greater impact on the latter will be discussed in more detail, in order to provide a "compass" for easier navigation between the various comments on the trends indicated in the Report.

1. Difference between current taxes, taxes paid and theoretical taxes calculated on the basis of the nominal rate

The nominal rate (also "**nominal tax rate**") of income taxes is the rate set out by the relevant tax legislation for the purpose of taxing business income. Applying the nominal rate to the profit before income tax included in the profit and loss account gives the "**theoretical taxes**". The latter may also differ greatly from **current taxes** accounted for as consequence of a series of differences between the "**Profit or Loss for the year**" shown in the profit and loss account and the "**Taxable income**" determined according to tax rules. This is because usually the calculation of the taxable income takes place by making **upward** and/or **downward adjustments** to the Profit or Loss for the year, based on specific tax rules of the relevant country.

As a result of these adjustments, the profit or loss for the year may differ significantly from the taxable Income. The adjustments made to the (accounting) profit or loss for the purpose of determining the taxable income can be **permanent** or **temporary**. Permanent differences are the result of **definitely non-deductible costs** (such as: costs for taxes, vehicle expenses, telephone costs) or **definitely non-taxable income** (some examples include capital gains from the sale of equity investments and dividends subject to the regime of *Participation Exemption* - «**PEX**»).

Temporary differences, on the other hand, are the result of **costs and income that are only temporarily non-deductible or taxable** but which will become so in later years than the one in which they are recorded. Examples of these temporary differences are the accounting write-downs of assets (*impairment*), the differences between the tax and accounting depreciation, the deductibility of provisions for risk and more generally the tax relevance of certain costs and revenues on a "cash" basis and not on an "accrual" basis.

Furthermore, other impacts on the accounting recognition of taxes may be caused by tax consolidation regimes[1] which, in some cases (tax losses offset in the consolidated income), may result in the recognition of current tax "revenues" of the consolidated entity.

All the above differences affect the accounting recognition of **current taxes** as they impact the determination of the taxable income that will be subject to each country's nominal tax rate.

The **current taxes** of a given tax period, in turn, may not correspond to the **taxes paid** in the same period as each country generally provides for payment mechanisms (advances and balances) that occur at different times (even in subsequent years) and with calculation methods often based on historical data referred to previous periods.

[1]Tax consolidation is a taxation regime granted to groups of companies, under which the results of the group are consolidated for tax purposes.

Principles of Tax Accounting in a nutshell

2. Partecipation Exemption "PEX"

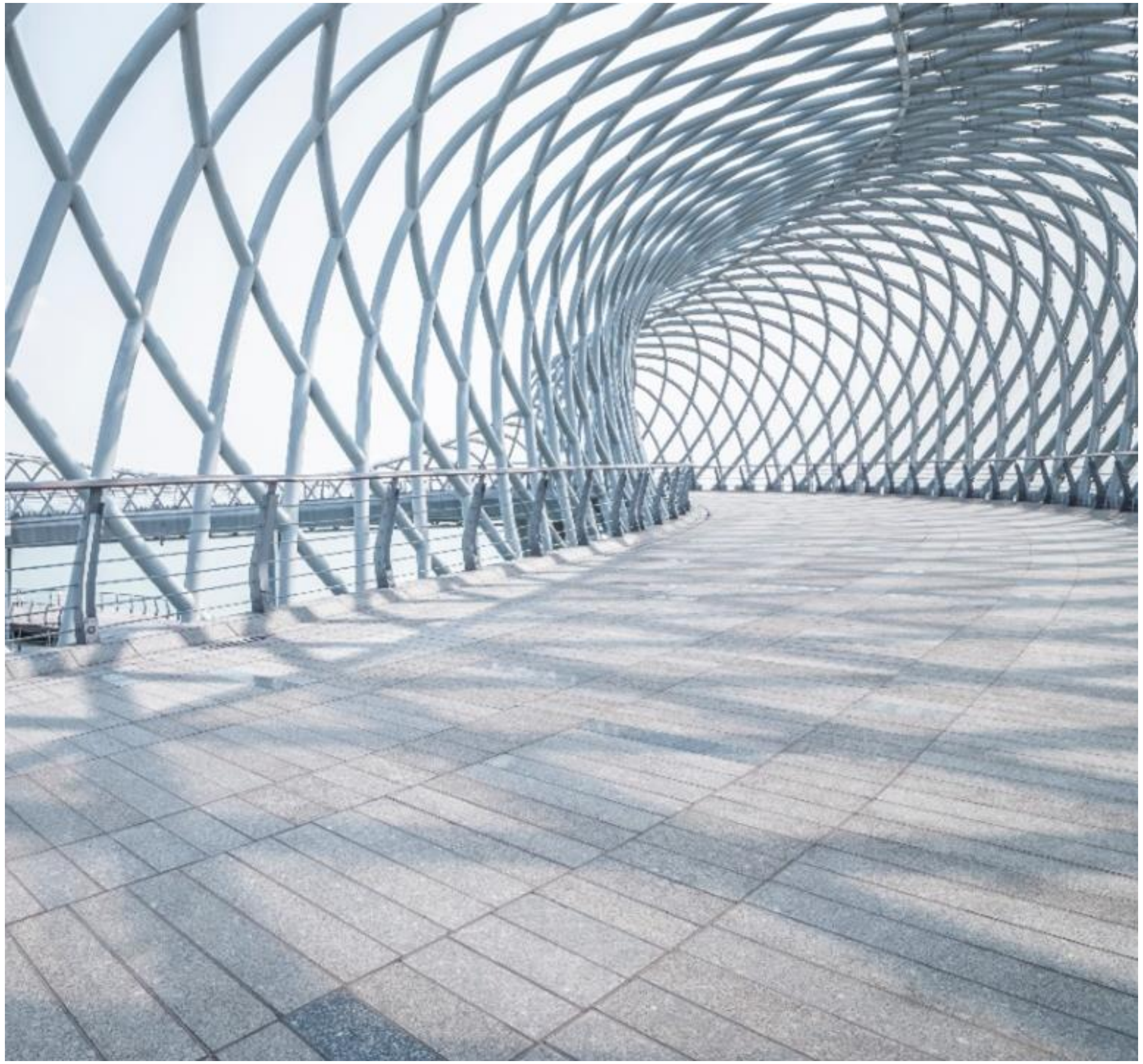
Most jurisdictions provide **tax exemption regimes** for dividends and capital gains and a related **non-deductibility** for capital losses relating to equity participations that meet **specific requirements**.

These regimes are intended to avoid economic double taxation, which would occur, for example, if the profits of a company were first taxed in the hands of the same company and then, when distributed as dividends, taxed again in the hands of shareholder. With respect to capital gains, the exemption is theoretically justified by the double taxation that would result from the fact that the capital gain is the expression of undistributed profits already taxed or future profits of the same company that will be taxed once realized.

Providing the exemption of dividends and capital gains and non-deductibility of capital losses, these schemes generate **permanent differences** between the Profit or Loss for the year and taxable income.

Example – Capital gain under the "PEX" regime: *In financial year X, a company achieves a profit for the year of 200, of which 100 deriving from a capital gain realized as a result of the sale of a partecipation. The partecipation sold meets the requirements of the PEX regime of the relevat tax jurisdiction, which provides for an exemption of 95%. The nominal rate set out by the tax legislation is 20%.*

In determining the taxable income relating to year X, the company makes a ***downward adjustment*** *of 95. Hence, given a profit for the year of 200, the company will have a taxable income of 105 (i.e. 200-95) and current taxes of 21 (i.e. 105*20%). Therefore, against a nominal tax rate of 20%, the company will have a current tax rate of 10,5% (i.e. 21/200).*



Principles of Tax Accounting in a nutshell

3. Write-downs of fixed assets

The tax treatment of write-downs of fixed assets provides, in most jurisdiction, provides for **limitations** on their **deductibility** as their accounting recognition is of an evaluation nature (impairment). In other words, at the time of their accounting recognition they represent unrealized capital losses that will be tax deductible only when the asset is effectively disposed of from the production process or through the tax depreciation process. This leads to a **temporary** misalignment between the book value of the asset and and its fiscal value that will be "**recovered**" in subsequent years through the so-called "**downward adjustments**", equal to the difference between the accounting depreciation calculated on the depreciated cost (lowest) and the tax depreciation calculated on the cost before the depreciation (highest). These mechanisms influence the determination of current and paid taxes compared to the theoretical ones, resulting in higher tax rates in the year of impairment and gradually reduced in subsequent years of recovery of the temporary mismatch.

Example – Plant write-down: *In financial year X-1 a company purchases and books a plant at a value of 1.000 which, according to accounting and tax criteria, will be depreciated over 5 years (20% in each year). At the end of financial year X, the company records a write-down of 300. The profit for the year of the company in financial year X and the following 3 years is 500. The nominal rate provided for by the relevant tax legislation is 20%.*

*Given a profit for the financial year X equal to 500, the company will have a taxable income of 800 (i.e. 500+300), due due to the non-deductible write-down of 300 (i.e. **upward adjustment** of 300). In compliance with the requirements, the company will account for deferred tax assets for 60 (i.e. 300*20%) and current taxes for 160 (i.e. 800*20%), recording a current tax rate of 32% against a nominal tax rate of 20%.*

*Over the next 3 following financial years, the company will determine the taxable income by making a **downward adjustment** to the profit for the year of 100 (for each of the 3 financial years), equal to the difference between (i) the accounting depreciation (100) and (ii) the tax depreciation (200).*

*The taxable income for each of the 3 subsequent years will be equal to 400 (i.e. 500-100) and the current taxes will be equal to 80 (i.e. 400*20%). Against a nominal tax rate of 20%, the company will have a current tax rate of 16% (i.e. 80/500).*

***On the whole**, from year X to year X+3, the sum of the **profit for the year**, equal to 2.000 (i.e. 500*4) will be **equal** to the sum of the **taxable income**, equal to 2.000 (i.e. 800+400*3).*

Principles of Tax Accounting in a nutshell

4. Carry forward of losses

Most countries apply **loss carry forward and recovery mechanisms.**

The carry forward of tax losses ensures fair taxation based on the effective ability of companies to pay and is a corrective measure to the distortions arising from the conventional division of the life of a company into financial years.

These mechanisms make it possible to deduct from the taxable income of one year tax losses accrued in previous year[1] (*loss carry forward*), generating in the recovery year current and paid taxes lower than theoretical ones.

Example – Carry forward of past losses: *In financial year X-1, a company records a tax loss of 90. In financial year X the company achieves a taxable income of 100.*

In determining the taxable income of the financial year X to which the nominal tax rate should be applied, the company will deduct the tax loss for year X-1 (equal to 90) from the profit for the year. Consequently, taxes will be calculated on a taxable income of 10. The use of tax losses will reduce current taxes resulting in a lower value than the theoretical ones.

5. Tax payments on advance and on balance

With regard to the tax payment mechanisms, most countries **require payments to be made in advance and on balance to be made at later time** (even in different financial yeat) compared to year of reference.

For example, in the case of income tax, many countries provide that a taxpayer pays taxes in advance on a taxable income that is not yet been realized.

In such cases, **the calculation of the advanced tax payments** generally takes place on a **historical basis** (historical method: the advanced payments are determined on the basis of the taxes due for one or more previous years) or on a **provisional basis** (provisional method: the advanced payments are determined on the basis of taxes expected to be due for the current year).

The method of determining the advanced tax payments described above is **one of the main reasons** explaining the difference between current taxes and taxes paid, whose trends will tend to align in the medium term.

Example – Payment of advanced taxes using the historical method: *In the financial year X-3 a company achieves a taxable income of 200, which, by applying a rate of 25%, gives rise to current taxes of 50. In the financial year X-2 the company achieves a taxable Income of 400, with current taxes of 100. In the financial year X-1 the company achieves a taxable income equal to 0. In the financial year X, the company achieves a taxable income equal to 0.*

The relevant tax jurisdiction provides for the payment of advanced taxes according to the historical method for an amount equal to 100% of the taxes due for the previous financial year and a balance payment in the following year.

The effect on current taxes and taxes paid will be as follows:

- *Financial year X-2: although current taxes are equal to 100, the company has paid taxes for 50 (100% of the taxes due for year X-3);*
- *Financial Year x-1: Although current taxes are 0, the company has paid taxes of 150 (100 calculated as 100% of the taxes due for the year x-2 and 50 as the balance of the taxes for the financial year x-2).*
- *Financial year X: although current taxes are equal to 0, the company has obtained a refund of 100 (referring to the credit balance of year X-1).*

The cumulative values of taxes due and taxes paid over time tend to be equal.

[1]Some jurisdictions apply limits (which may be quantitative and/or temporal) to loss carry-forwards.

Glossary

Revenues[1]: sum of revenues from third parties and cross-border intercompany revenues accounted for by the entities in scope in the pertinent tax jurisdiction in the year of reference.

Third party revenues: the sum of revenues from third parties accounted for by the entities within the scope in the pertinent tax jurisdiction in the year of reference. The term “revenues” is understood in the broadest possible sense to include all revenues, including those from extraordinary operations.

Cross-border intercompany revenues: the sum of revenues from transactions carried out between entities within the scope resident in different jurisdictions in the year of reference, including income from extraordinary operations and excluding dividends.

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. Tangible fixed assets do not include cash and cash equivalents, intangible assets or financial assets.

Profit before tax/Profit before income tax - EBT: Sum of profits (losses) before income tax of all entities within the perimeter in each tax jurisdiction generated in the year of reference.

Profit before taxes borne: **:** Sum of profits (losses) before taxes borne of all entities within the perimeter in each tax jurisdiction generated in the year of reference.

Net profit: sum of the net profit, as resulting from the data source used, of all entities within the scope in each tax jurisdiction in the year of reference.

Profit before income tax, profit before taxes borne and net profit include all items related to extraordinary revenues and costs. Intercompany dividends are exclued in order to avoid double counting of these items, in case profits are distributed in the form of dividends to other Group entities. This makes it possible to represent the objective amount of profit before income tax and profit before taxes borne at country level, and to calculate appropriate tax rates, since dividends are usually subject to preferential tax treatments if compared to other types of income (so-called *participation exemption)*

Corporate income tax (CIT) accrued: the sum of current taxes (i.e. for the current year) on taxable income in the year of reference of all entities within the scope in each tax jurisdiction, independent of whether they have been paid. The data for these does not take account of provisions for tax debts that are not yet certain as regards either their amount or existence, of adjustment of current taxes for previous years and of prepaid and deferred taxes**.**

Corporate income tax (CIT) paid: sum of corporate income taxes paid in the year of reference by all entities within the scope in each tax jurisdiction, regardless of whether or not they relate to the current year.

Wages and salaries: sum of the wages and salaries of all entities within the scope in each tax jurisdiction in the year of reference. Wages and salaries do not include personal taxes, social security contributions, incentives or benefits and severance costs.

Number of employees: the sum of the number of employees of all entities within the scope in each tax jurisdiction in the year of reference. The sum is calculated on the basis of the number of employees at the end of the period.

The **current tax rate** is calculated as the ratio of corporate income taxes (CIT) accrued and profit before income tax.

The **cash tax rate** is calculated as the ratio of corporate income taxes (CIT) paid and profit before taxes.

The Effective Tax Rate (ETR) is determined as the ratio between the tax expense accounted for in the financial account (i.e. including current taxes, any provision for tax debts that are not yet certain as regards either their amount or existence, adjustments for income taxes relating to prior years and of prepaid and deferred taxes) and profit before income tax (EBT).

[1] Only for figures and indicators presented in the Netherlands country section, the Revenues of the Group main financial company (i.e. Enel Finance International NV) are represented by net interest income (i.e. net interest income/expense), in consideration of the financial activity carried out by the latter and consistent with the reporting practices generally followed in the banking sector, as for the application of the EU CRD IV directive (e.g. Circular No. 285 of 17 December 2013 of the Bank of Italy).

Glossary

Total Tax Contribution Rate (TTCR): the Total Tax Contribution rate is an indicator of taxes borne in relation to profit. The TTCR is calculated as the ratio between taxes borne and profit before taxes borne.

Other Payments to Government: these are payments made to public administrations for a right or asset used in the course of business or for the right to explore or extract oil, gas and other minerals from the earth. This includes mining activities, royalties and license fees, etc.

TTC to turnover: the TTC to turnover ratio is an indicator that reflects the amount of the Group's contribution in relation to the size of its business. The indicator is calculated as the ratio between TTC and revenues.

Taxes per employee: the ratio reflects the level of employment in relation to the related taxes. The indicator is calculated as the ratio between the total taxes related to employment (both borne and collected) and the number of employees (as defined above).

Distributed value: the Distributed Tax Value index illustrates the percentage of the value distributed by Enel used to pay taxes borne and collected to public administrations. The value distributed to the community is made up of:

- **Net interest:** sum of the net value of interest expense and interest income of all entities within the scope in each tax jurisdiction in reference year of reference. This amount represents the value distributed to creditors.
- **Income after taxes:** determined on the basis of what is described in the dedicated section. This amount represents the value for the shareholders.
- **Wages and salaries:** determined on the basis of what is described in the dedicated section. This amount represents the value distributed to employees.
- **Taxes borne and collected:** determined on the basis of what is described in the dedicated section. This amount represents the value distributed to public administrations.

The data compiled by PwC TLS includes information received from Enel Group, obtained from its own IT system and its internal working procedures PwC TLS has analysed the information supplied by Enel and has verified the consistency of the trends and figures reflected. Their origin has neither been verified nor audited.

In relation to the above, this report is based on the tax contribution figures provided as at 31 March 2021. Our analysis ended on 31 March 2021 and there could be significant events that have taken place since this date, which would not be reflected in this report.

Europe (main countries)

EUROPE – Main countries

	UM	Italy	Spain	Russia	Romania	Netherlands	2020	2019	2020-2019	%
Taxes Borne (cash accounting)		**1.742,4**	**1.059,9**	**28,7**	**29,5**	**44,4**	**2.905,0**	**2.939,2**	**-34,2**	**-1,2%**
Profit taxes	€/mil	1.025,4	-112,2	13,2	21,1	43,4	**990,9**	**1.067,6**	**-76,8**	**-7,2%**
Income tax	€/mil	1.025,4	-136,2	13,2	21,1	43,4	**966,9**	**1.036,9**	**-70,0**	**-6,7%**
Property taxes	€/mil	129,9	69,7	5,6	4,1	-	**209,4**	**204,0**	**5,4**	**2,6%**
Employment taxes	€/mil	523,2	137,7	9,9	1,9	0,2	**672,9**	**670,1**	**2,8**	**0,4%**
Taxes on products and services	€/mil	57,9	201,3	0,0	2,4	0,9	**262,5**	**257,8**	**4,7**	**1,8%**
Environmental taxes	€/mil	6,0	763,3	0,0	0,0	-	**769,3**	**739,7**	**29,6**	**4,0%**
Taxes Collected (cash accounting)		**7.390,3**	**1.723,2**	**98,1**	**192,8**	**15,8**	**9.420,2**	**10.512,4**	**-1.092,1**	**-10,4%**
Profit taxes	€/mil	2,6	74,4	0,0	-	-	**77,1**	**74,5**	**2,6**	**3,4%**
Property taxes	€/mil	-	-	-	-	-	**-**	**-**	**-**	
Employment taxes	€/mil	581,1	259,0	5,3	34,1	0,5	**880,0**	**872,5**	**7,6**	**0,9%**
Taxes on products and services	€/mil	6.806,5	973,5	92,9	158,7	-	**8.031,6**	**9.045,9**	**-1.014,3**	**-11,2%**
Environmental taxes	€/mil	-	416,3	-	-	15,3	**431,5**	**519,4**	**-87,9**	**-16,9%**
Total Tax Contribution (cash accounting) - TTC	**€/mil**	**9.132,7**	**2.783,1**	**126,9**	**222,3**	**60,2**	**12.325,2**	**13.451,6**	**-1.126,4**	**-8,4%**
Other Payments to Government (cash accounting)	€/mil	-	75,8	11,3	2,2	-	**89,4**	**105,5**	**-16,2**	**-15,3%**
Economic data	**UM**	**Italy**	**Spain**	**Russia**	**Romania**	**Netherlands**	**2020**	**2019**	**2020-2019**	**%**
Third party revenues	€/mil	40.231,6	15.761,0	547,6	1.401,3	2.209,8	**60.151,3**	**70.670,3**	**-10.518,9**	**-14,9%**
Revenue related cross border	€/mil	2.088,8	1.032,4	5,5	4,9	1.531,0	**4.662,6**	**4.101,5**	**561,1**	**13,7%**
Profit (loss) before income tax	€/mil	1.532,8	1.637,3	52,3	223,3	301,4	**3.747,0**	**1.659,5**	**2.087,5**	**125,8%**
Corporate income tax accrued	€/mil	1.038,0	120,0	10,7	23,8	75,2	**1.267,8**	**1.358,7**	**-90,9**	**-6,7%**
Income after taxes	€/mil	513,4	1.382,2	41,0	188,2	226,5	**2.351,3**	**1.112,6**	**1.238,8**	**111,3%**
Wages and salaries	€/mil	1.591,6	705,5	29,3	80,7	1,5	**2.408,7**	**2.431,1**	**-22,4**	**-0,9%**
Net interest	€/mil	-1.171,1	-161,8	-10,6	2,7	-171,3	**-1.512,1**	**-1.428,9**	**-83,1**	**5,8%**
Tangible assets	€/mil	28.235,7	22.958,2	606,5	1.993,0	0,1	**53.793,4**	**52.949,5**	**844,0**	**1,6%**
Number of employess	#	29.777	9.659	1.475	3.248	20	**44.179**	**45.464**	**-1.285**	**-2,8%**
TTC Rate	%	77,5%	37,4%	42,4%	12,7%	14,7%				
Ratio TTC to turnover	%	21,6%	16,6%	22,9%	15,8%	1,6%				
Taxes Borne in relation to revenues	%	4,1%	6,3%	5,2%	2,1%	1,2%				
Taxes Collected in relation to revenues	%	17,5%	10,3%	17,7%	13,7%	0,4%				

North America

North America							
	UM	USA and Canada	Mexico	2020	2019	2020-2019	%
Taxes Borne (cash accounting)		**43,4**	**18,9**	**62,3**	**153,0**	**- 90,7**	**-59,3%**
Profit taxes	€/mil	3,5	15,4	**19,0**	**111,3**	**- 92,4**	**-83,0%**
Income tax	€/mil	3,5	15,4	**19,0**	**111,3**	**- 92,4**	**-83,0%**
Property taxes	€/mil	32,9	0,2	**33,1**	**26,6**	**6,5**	**24,5%**
Employment taxes	€/mil	6,6	1,9	**8,6**	**14,5**	**- 6,0**	**-41,1%**
Taxes on products and services	€/mil	0,3	1,3	**1,7**	**0,6**	**1,1**	**187,5%**
Environmental taxes	€/mil	-	-	**-**	**-**	**-**	
Taxes Collected (cash accounting)		**45,3**	**22,0**	**67,3**	**66,9**	**0,4**	**0,6%**
Profit taxes	€/mil	-	0,6	**0,6**	**0,0**	**0,6**	**13013,3%**
Property taxes	€/mil	-	0,7	**0,7**	**1,8**	**- 1,1**	**-61,9%**
Employment taxes	€/mil	44,7	4,1	**48,9**	**48,2**	**0,7**	**1,4%**
Taxes on products and services	€/mil	0,6	16,6	**17,2**	**17,0**	**0,2**	**1,3%**
Environmental taxes	€/mil	-	-	**-**	**-**	**-**	
Total Tax Contribution (cash accounting) - TTC	**€/mil**	**88,8**	**40,9**	**129,6**	**219,9**	**- 90,3**	**-41,1%**
Other Payments to Government (cash accounting)	€/mil	**-**	0,3	**0,3**	**1,1-**	**0,8**	**- 71, 2%**
Economic Data	**UM**	**USA and Canada**	**Mexico**	**2020**	**2019**	**2020-2019**	**%**
Third party revenues	€/mil	1.271,0	164,6	**1.435,6**	**2.340,5**	**- 904,9**	**-38,7%**
Revenue related cross border	€/mil	24,6	3,0	**27,7**	**40,5**	**- 12,8**	**-31,6%**
Profit (loss) before income tax	€/mil	201,6	- 32,8	**168,9**	**424,2**	**- 255,4**	**-60,2%**
Corporate income tax accrued	€/mil	0,0	8,7	**8,7**	**14,7**	**- 6,0**	**-40,6%**
Income after taxes	€/mil	137,3	- 35,0	**102,3**	**158,0**	**- 55,7**	**-35,2%**
Wages and salaries	€/mil	156,6	14,0	**170,6**	**170,2**	**0,4**	**0,3%**
Net interest	€/mil	- 106,6	- 69,1	**- 175,7**	**- 153,5**	**- 22,2**	**14,5%**
Tangible assets	€/mil	7.305,7	1.207,0	**8.512,7**	**13.470,2**	**- 4.957,6**	**-36,8%**
Number of employess	#	1.306	333	**1.639**	**1.639**	**-**	**0,0%**
TTC Rate	%	18,0%	-64,3%				
Ratio TTC to turnover	%	6,9%	24,4%				
Taxes Borne in relation to revenues	%	3,4%	11,3%				
Taxes Collected in relation to revenues	%	3,5%	13,1%				

Latin America

Latin America	UM	Brazil	Chile	Colombia	Argentina	Peru	Panama	Guatemala	Costa Rica	2020	2019	2020-2019	%
Taxes Borne (cash accounting)	**€/mil**	**639,9**	**40,8**	**364,8**	**111,5**	**98,4**	**17,7**	**2,6**	**1,7**	**1.277,4**	**1.669,5**	**- 392,1**	**-23,5%**
Profit taxes	€/mil	141,4	3,2	249,2	83,5	80,8	15,9	2,2	0,9	**577,0**	**712,9**	**- 135,9**	**-19,1%**
Income tax	€/mil	141,4	3,2	233,1	79,6	79,2	15,9	1,9	0,4	**554,6**	**679,8**	**- 125,2**	**-18,4%**
Property taxes	€/mil	10,9	2,8	1,5	1,0	1,3	0,2	0,2	0,2	**18,1**	**35,2**	**- 17,1**	**-48,5%**
Employment taxes	€/mil	56,3	-	12,7	15,1	1,9	0,6	0,2	0,5	**87,3**	**95,1**	**- 7,8**	**-8,2%**
Taxes on products and services	€/mil	430,8	6,2	79,1	7,7	12,7	0,0	0,0	-	**536,4**	**770,5**	**- 234,1**	**-30,4%**
Environmental taxes	€/mil	0,4	28,7	22,3	4,3	1,7	1,1	-	-	**58,5**	**55,8**	**2,7**	**4,9%**
Taxes Collected (cash accounting)	**€/mil**	**1.849,0**	**198,2**	**57,8**	**173,4**	**78,1**	**5,5**	**4,5**	**1,2**	**2.367,8**	**3.054,2**	**- 686,4**	**-22,5%**
Profit taxes	€/mil	19,3	34,1	15,6	7,0	1,6	4,5	0,6	0,0	**82,8**	**69,4**	**13,3**	**19,2%**
Property taxes	€/mil	-	-	-	-	-	-	-	-	**-**	**-**	**-**	
Employment taxes	€/mil	32,3	16,9	10,0	15,9	8,1	0,7	0,1	0,0	**84,0**	**100,1**	**- 16,1**	**-16,1%**
Taxes on products and services	€/mil	1.797,4	147,2	21,4	150,5	68,5	0,3	3,7	1,2	**2.190,2**	**2.874,6**	**- 684,4**	**-23,8%**
Environmental taxes	€/mil	-	-	10,9	-	-	-	-	-	**10,9**	**10,0**	**0,8**	**8,1%**
Total Tax Contribution (cash accounting) - TTC	**€/mil**	**2.488,9**	**239,0**	**422,6**	**284,9**	**176,5**	**23,2**	**7,0**	**2,9**	**3.645,1**	**4.723,7**	**- 1.078,6**	**-22,8%**
Other Payments to Government (cash accounting)	€/mil	0,4	5,6				0,02	0,004		**6,0**	**7,8**	**- 1,8**	**- 23,4%**
Economic Data	**UM**	**Brazil**	**Chile**	**Colombia**	**Argentina**	**Peru**	**Panama**	**Guatemala**	**Costa Rica**	**2020**	**2019**	**2020-2019**	**%**
Third party revenues	€/mil	7.298,1	3.188,6	2.079,7	1.586,4	1.171,9	136,7	45,2	21,9	**15.528,5**	**18.871,1**	**- 3.342,6**	**-17,7%**
Revenue related cross border	€/mil	39,5	144,9	7,1	62,5	0,0	0,5	0,9	0,4	**255,8**	**240,2**	**15,6**	**6,5%**
Profit (loss) before income tax	€/mil	286,7	- 40,0	740,1	140,8	269,0	83,4	16,7	- 5,3	**1.491,4**	**2.485,4**	**- 993,9**	**-40,0%**
Corporate income tax accrued	€/mil	112,4	343,7	237,4	52,4	96,5	26,9	2,1	1,3	**872,6**	**856,8**	**15,9**	**1,9%**
Income after taxes	€/mil	169,0	10,0	495,1	102,0	180,0	56,0	14,6	- 6,4	**1.020,3**	**2.261,1**	**- 1.240,9**	**-54,9%**
Wages and salaries	€/mil	168,3	136,1	67,3	71,0	47,5	3,7	3,5	1,7	**499,2**	**606,4**	**- 107,2**	**-17,7%**
Net interest	€/mil	- 118,2	- 189,1	- 79,8	1,8	- 32,4	- 1,8	0,2	- 6,8	**- 426,1**	**- 619,5**	**193,4**	**-31,2%**
Tangible assets	€/mil	2.602,5	5.998,5	3.652,0	1.287,7	2.275,9	339,2	309,8	145,3	**16.610,8**	**18.391,0**	**- 1.780,2**	**-9,7%**
Number of employess	#	10.137	2.259	2.191	4.074	954	99	86	37	**19.837**	**20.238**	**- 401**	**-2,0%**
TTC Rate	%	81,5%	-1682,9%	41,8%	64,6%	34,1%	20,8%	14,8%	-41,9%				
Ratio TTC to turnover	%	33,9%	7,2%	20,3%	17,3%	15,1%	16,9%	15,3%	12,9%				
Taxes Borne in relation to revenues	%	8,7%	1,2%	17,5%	6,8%	8,4%	12,9%	5,6%	7,5%				
Taxes Collected in relation to revenues	%	25,2%	5,9%	2,8%	10,5%	6,7%	4,0%	9,7%	5,4%				

Europe (minor countries), Africa and Oceania, Asia

EUROPA – Minor countries

Economic data	UM	Bulgaria[1]	France	Germany	Greece	Ireland	Norway	Poland	Portugal	Slovakia	Turkey	United Kingdom	2020	2019	2020-2019	%
Third party revenues	€/mil	9,2	277,7	223,2	111,9	8,9	0,2	2,5	973,1	0,1	0,1	11,1	**1.618,0**	**1.697,3**	**-79,4**	**-4,7%**
Revenue related cross border	€/mil	0,1	30,0	37,1	3,6	3,0	0,1	-	108,1	-	1,9	1,0	**184,8**	**195,5**	**-10,6**	**-5,4%**
Profit (loss) before income tax	€/mil	4,1	-6,7	-19,9	27,9	1,0	-0,9	-2,1	63,6	-1,4	-2,4	-1,2	**61,8**	**48,5**	**13,4**	**27,6%**
Corporate income tax accrued	€/mil	0,4	0,1	-0,9	6,0	0,0	-	-	-9,1	-	0,0	0,3	**-3,2**	**6,7**	**-9,9**	**-147,5%**
Corporate income tax paid	€/mil	0,4	1,6	-0,3	0,3	0,0	-	-	10,6	-	0,0	0,1	**12,7**	**1,2**	**11,4**	**916,3%**
Tangible assets	€/mil	31,4	23,0	0,7	628,8	1,6	0,1	0,0	16,5	0,0	0,1	9,1	**711,3**	**688,2**	**23,1**	**3,4%**
Number of employees	#	6	57	23	114	52	11	13	61	1	2	25	**365**	**329**	**36**	**10,9%**

AFRICA and OCEANIA

Economic data	UM	Kenya	Morocco	Zambia	Australia	Algeria	New Zealand	Egypt	South Africa	2020	2019	2020-2019	%
Third party revenues	€/mil	0,0	5,5	6,1	13,6	0,5	5,1	-	83,5	**114,2**	**145,6**	**-31,4**	**-21,6%**
Revenue related cross border	€/mil	-	-	-	2,1	-	0,8	-	0,3	**3,2**	**24,0**	**-20,9**	**-86,9%**
Profit (loss) before income tax	€/mil	-0,5	2,0	-9,4	-44,2	-0,2	0,8	-0,1	-0,0	**-51,6**	**-7,9**	**-43,6**	**550,1%**
Corporate income tax accrued	€/mil	-	0,7	-	-0,2	-	0,2	-	-	**0,8**	**0,2**	**0,6**	**298,8%**
Corporate income tax paid	€/mil	-	0,8	-	0,7	-	-	-	0,3	**1,7**	**-0,6**	**2,4**	**-367,6%**
Tangible assets	€/mil	0,0	1,2	21,4	23,5	0,0	0,0	-	1.147,4	**1.193,6**	**951,9**	**241,6**	**25,4%**
Number of employees	#	2	31	6	85	1	9	-	166	**300**	**262**	**38**	**14,5%**

ASIA

Economic data	UM	Indonesia	China	Israel	Singapore	Japan	India	South Korea	Taiwan	2020	2019	2020-2019	%
Third party revenues	€/mil	0,0	0,0	0,1	-0,1	8,0	15,1	24,8	0,1	**48,0**	**53,4**	**-5,4**	**-10,2%**
Revenue related cross border	€/mil	-	-	0,5	0,0	0,2	5,9	0,0	-	**6,7**	**4,6**	**2,1**	**46,0%**
Profit (loss) before income tax	€/mil	-0,3	-0,8	-0,2	-2,7	-1,0	3,7	-2,5	-0,7	**-4,7**	**-8,9**	**4,2**	**-47,3%**
Corporate income tax accrued	€/mil	-	-	0,0	-	0,0	-	-	-	**0,0**	**0,1**	**-0,1**	**-84,9%**
Corporate income tax paid	€/mil	-	-	-	0,0	0,0	0,1	-	-	**0,1**	**0,2**	**-0,0**	**-16,2%**
Tangible assets	€/mil	0,9	0,1	0,0	0,2	0,3	116,0	1,6	0,2	**119,4**	**78,1**	**41,3**	**52,8%**
Number of employees	#	1	6	1	3	19	322	38	6	**396**	**318**	**78**	**24,5%**

[1] As of December 31, 2020, the entity in Bulgaria is not included in the perimeter of Enel Group.

Exchange rates in 2019 and 2020

Country	Local currency	Average exchange rate Local currency/Euro		Exchange rates at year-end Local currency/Euro	
		2020	2019	2020	2019
Argentina	ARS Argentine Peso	103,15	67,25	103,15	67,25
Brazil	BRL Brazilian Real	5,89	4,41	6,37	4,52
Canada	CAD Canadian Dollar	1,53	1,49	1,56	1,46
Cile	CLP Chilean Peso	903,07	786,58	871,75	844,14
Colombia	COP Colombian Peso	4.217,27	3.673,42	4.198,62	3.688,95
Peru	PEN Peruvian Sol	3,99	3,74	4,44	3,72
Romania	RON Romanian Leu	4,84	4,75	4,87	4,78
Russia	RUB Russian Rouble	82,72	72,46	91,46	69,94
USA	USD US Dollar	1,14	1,12	1,23	1,12
Mexico	MXN Mexican Peso	24,53	21,56	24,43	21,22
Guatemala	GDQ Guatemalan Quetzal	8,82	8,62	9,56	8,65
Costa Rica	CRC Costa Rican colón	668,64	657,54	753,24	643,83
Panama	PAB Panamanian balboa	1,14	1,12	1,23	1,12

Methodology used for the comparative analysis of the effective rates of corporate income taxes

The analysis has been based on the publicly available information of peers of Enel Group. The potential list of such peers is published on Value Today[1]. The data represents the largest electric utility companies in the world, as of January 2020. Data used in this analysis refers to the first 20 groups with the highest market shares.

The effective rate of taxation for Corporate Income Tax purposes (ETR), has been calculated as the ratio of Corporate Income Tax expense to Profit before tax, with both of these figures being obtained from the consolidated income statement for the year.

The average figure for the last year for which data is available (2020) has been used, as well as the upper and lower quartiles, to illustrate the findings:

- ***Adjusted median***

Our findings in relation to the individual analyses of the companies are based on a statistical analysis of ETRs. In this type of analysis, there are generally elements that distort the average, such as non-recurring transactions or exceptional items (i.e. ETRs with negative values), and these must be eliminated to draw reasonable conclusions from the sample studied.

- ***Quartiles***

The upper (75%) and lower (25%) quartiles are also calculated for the sample of companies, indicating the results obtained. This facilitates identification of the range of average results within which the majority of the companies are situated.

Perimeter of the companies considered in the comparative analysis of the effective corporate income tax rates

Companies
• Nextera Energy, Inc.
• Dominion Energy, Inc.
• Duke Energy Corporation
• Southern Co
• Iberdrola Sa
• China Yangtze Power Company Limited
• Tc Energy Corporation
• American Electric Power Company Inc
• Exelon Corporation
• Orsted A/S
• National Grid Plc
• Sempra Energy
• Engie
• Edf (Electricite De France)
• Xcel Energy Inc.
• Consolidated Edison, Inc.
• Public Service Enterprise Group Incorporated
• Wec Energy Group

[1] https://www.value.today/world-top-companies/electric-utilities