

Half-Year Sustainability disclosures at June 30, 2021

Explanatory note

This document contains the explanatory notes supporting the disclosures in the half-year sustainability reporting at June 30, 2021 contained in the Enel Group's Half-Year Financial Report at June 30, 2021, published on the www.enel.com website, and referred to as an attachment to the document itself.

Information and in-depth analyses on the issues and indicators presented in this Report can be requested from:

Enel SpA
Innovability® Function
(Innovation and Sustainability)
Sustainability Planning
and Performance Management
and Human Rights

Viale Regina Margherita, 137
00198 Rome - Italy

Tel +39 06 8305 1

E-mail:
sustainability@enel.com

Web:
<https://www.enel.com/it/investors1>

More specifically, with regard to sustainability disclosures, since 2003 Enel has been publishing an annual Sustainability Report in conjunction with the Group's Consolidated Annual Financial Report. In compliance with the requirements of Italian Legislative Decree 254 of December 30, 2016, "Implementation of Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014, amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large companies and groups", Enel has been publishing a Consolidated Non-Financial Statement (NFS) since 2017. The Sustainability Report represents Enel's NFS with effect from the 2019 financial year. Accordingly, from that financial year on, the NFS is no longer published as a separate document.

Furthermore, starting in 2019, the Enel Group has redesigned its corporate reporting system on the basis of the "Core & More" reporting approach, developing its own concept for presenting economic, social, environmental and governance information, in line with the regulations, recommendations and international best practices in this field. In particular, the Financial Report represents the "Core Report", which describes the Group's sustainable and integrated business model and the related value creation process, including the qualitative and quantitative financial and non-financial information deemed most relevant based on a materiality assessment, which also takes account of the expectations of stakeholders. On the other hand, the "More Reports" include, as also governed by specific regulations, more detailed and supplementary information with respect to the Core Report, the disclosures of which are also connected to it through cross references.

Starting with the 2021 financial year, Enel is also presenting an update of the sustainability disclosures at June 30, 2021, focusing on the indicators and information described in the Content Index attached to this document and reported in Enel Group's Half-Year Financial Report at June 30, 2021. These indicators and disclosures were identified as described below.

How the document was constructed

The sustainability information reported in the Content Index and contained in Enel Group's Half-Year Financial Report at June 30, 2021 was prepared in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" developed by the GRI - Global Reporting Initiative ("GRI Standards") in accordance with "GRI-referenced claim" option. In particular, we have considered the Sustainability Reporting Standards (2016) of the Global Reporting Initiative (GRI Standards) and, beginning in 2018, Enel has adopted the two new standards GRI 403 - Occupational Health and Safety, and GRI 303 - Water and Effluents - issued in 2018.

The information and sustainability indicators reported were selected on the basis of the materiality analysis and the indicators proposed by the “Toward Common Metrics and Consistent Reporting of Sustainable Value Creation” of the World Economic Forum (WEF), which allow us to describe the business of the company and Enel’s commitment to creating value for its key stakeholders.

Regarding the quality of the information reported, we have followed the principles of balance, comparability, accuracy, timeliness, clarity and verifiability.

2020 materiality analysis

In line with the provisions of the AccountAbility AA1000APS (2018) standard and with the principles of inclusivity, materiality, responsiveness and impact, Enel has defined a materiality analysis process that enables us to identify and assess priority topics for stakeholders, weighted on the basis of their relevance, comparing them with the Group’s priorities and with our business strategy, considering the impacts on the economy, the environment and people, including impacts on human rights, in order to verify alignment (or misalignment”) and to identify any areas for improvement. The result of this analysis is presented in the materiality matrix and supports the identification and definition of the issues for the preparation of the Sustainability Report and the objectives to be included in the Strategic Plan and the Sustainability Plan, to which the various Group functions and business lines contribute.

For the purposes of Annual Report, the topics that have a direct impact on the creation of business value have been identified by applying a filter to so-called “primary users”, which are represented by “financial community” stakeholder (¹). The following three priority topics emerged from this analysis:

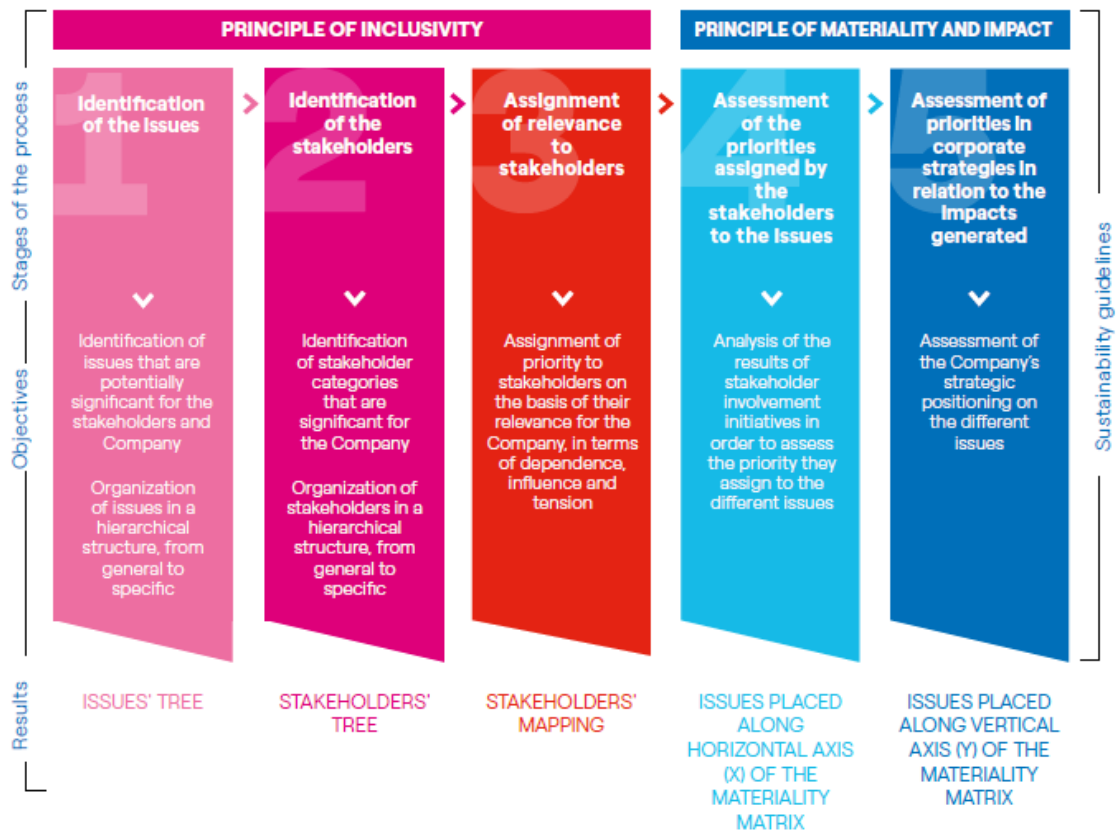
- > ecosystems and platforms;
- > sound governance and transparent conduct;
- > decarbonization of the energy mix.

The activities of data collection, aggregation and information processing are managed using a dedicated IT system, sharing best practices for engaging with and monitoring stakeholders and enabling a degree of coverage consistent with the corporate organizational model.

The Holding Company’s Sustainability Planning & Performance Management and Human Rights unit, in charge of the materiality analysis at Group level, plays a steering and coordination role, providing guidelines and methodological support for the analysis at the country, company and asset level performed by local managers with the involvement of stakeholders and key managers at the company level.

The following offers a brief description of the materiality analysis process and its phases, the results of which are reported in the Enel Group’s 2020 Sustainability Report, which readers are invited to consult for further information, as there have been no changes in the 1st Half of 2021, taking account of the Group’s situation.

¹ Includes financial institutions and related governance bodies, investors, rating agencies and financial analysts.



- Identification of issues and stakeholders:** the issues addressed in the 2020 materiality analysis were defined on the basis of various aspects, including company policies and principles of conduct, initiatives for listening to stakeholders, the topics of greatest interest for sustainability rating agencies, sector benchmarking studies and the strategic orientation of the Company. The various units responsible for stakeholder relations that are involved each year in the analysis process are charged with identifying and updating the list of relevant stakeholder categories in order to develop a complete list of current and potential stakeholders and to always remain aligned with the sustainability context in which Enel operates.
- Assignment of relevance stakeholders:** the process involves continuous and direct engagement with stakeholders, both internal and external to the Company, including top managers, through one-to-one interviews, surveys and other tools. During 2020, the process of identifying and prioritizing the categories of stakeholders saw the involvement of the top management of all the business lines, who assessed, using a survey administered by the Holding's Sustainability Planning & Performance Management and Human Rights unit, the relevance of the categories in question, based on the following parameters:
 - dependence – the importance of the relationship for the stakeholder - which indicates groups or individuals who directly or indirectly depend on the activities, products or services, on which the organization relies in order to conduct its operations
 - influence – the importance of the relationship for the Company - which indicates groups or individuals that may have an impact on the organization or on a stakeholder in strategic or operational decision-making;

- urgency - the temporal dimension of the relationship - which indicates groups or individuals who require the immediate attention of the organization with regard to broader financial, economic, social or environmental issues.
- **Assessment of the priority assigned by the stakeholders to the issues:** the aspects investigated within the materiality analysis are, on the side of the stakeholders, the relative importance of each topic in their perceptions and the 'direction' of their expectations (expectations of commitment or disengagement by Enel), while, on the side of the Company, the level of impact of the issues on business strategies.
As regards the expectations of stakeholders, since 2016 Enel has integrated the process of assessing their degree of satisfaction with the issues being analyzed: the results obtained, compared with the priorities assigned by stakeholders, make it possible to build an overall view of stakeholder expectations and help identify the issues on which the company needs to focus. These results are represented in the "Expectations Matrix" – see the Enel Group's 2020 Sustainability Report for further information- which, for most of the topics analyzed, displays a good alignment between the priority attributed by the stakeholders and their level of satisfaction (the "maintain" quadrant).
- **Assessment of priorities in corporate strategies in relation to the impacts generated:** the materiality of the issues to Enel's strategies was assessed through the involvement of the various corporate functions and was brought to the attention of the Chief Executive Officer and Chairman through an ad hoc interview and the administration of a dedicated online survey. This analysis reflects the guidelines set out in the 2021-2023 Strategic Plan, the objectives of the functions/business lines and the commitments undertaken by the Group through its policies and rules of conduct.

The reporting process

The contents of the sustainability disclosures described in the Content Index and reported in the Enel Group's Half-Year Financial Report at June 30, 2021 were also defined on the basis of the findings of the materiality analysis described above and then organized into specific sections. The level of detail and analysis of the issues is linked to their relevance, as is the choice of the related GRI indicators (GRI Standards and Electric Utilities Sector Disclosures) for their reporting, in order to support the GRI-referenced claim.

The "GRI Content Index" in the Appendix contains specific references to the sustainability disclosures included in the Enel Group's Half-Year Financial Report at June 30, 2021 and in this document.

Preparation and assurance

The process of reporting and monitoring of the key performance indicators (KPIs) relevant to sustainability involves the Parent, with regards to the issues affecting all the business lines and functions and the Group companies for the specific issues and indicators in their various sectors of activity.

Within the structures involved, those responsible for collecting, verifying and processing the relevant KPIs are identified. The Sustainability Planning & Performance Management and Human Rights unit, which is part of the Innovability® Function, is responsible for the consolidation of information.

The sustainability disclosures described in the Content Index attached to this document and contained in the Enel Group's Half-Year Financial Report at June 30, 2021 has been subjected to a limited audit by an

independent firm, KPMG SpA, which is also responsible for auditing the Enel Group's Half-Year Financial Report at June 30, 2021 as well as of the NFS. The limited audit was conducted in accordance with the provisions of the international ISAE 3000 (Revised) standard² and, consequently, the Code of Ethics for Professional Accountants: including professional independence and verification of the absence of conflicts of interest that could undermine the ethical principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct. The audit report describing the details of the principles adopted, the activities performed and the related conclusions is attached.

Parameters of the report

The information reported in this document and in the Enel Group's Half-Year Financial Report at June 30, 2021 refer to Enel SpA and the companies included in the consolidation scope for financial purposes at June 30, 2021, in line with the Group's financial consolidation scope. The only exception to the consolidation scope is represented by companies acquired during the first half of 2021, for which it was decided, for some of the areas covered by this document, to postpone their consolidation in light of the short time that has passed since their acquisition. The areas of exclusion have been indicated directly in the specific chapters. For more detailed information on the changes that have occurred, see the Enel Group's Half-Year Financial Report at June 30, 2021 in the sections "Main changes in the consolidation scope" and "Significant events in the 1st Half of 2021". For more information on the companies included in the consolidation scope, please see the specific table in the Enel Group's Half-Year Financial Report at June 30, 2021. The data are calculated specifically on the basis of the accounting and non-accounting information and the other information systems of Enel, and validated by the relevant responsible persons. The information determined through the use of estimates and the related calculation method are expressly indicated. The values for the first half of the previous year as well as the related deltas are not reported where they are not considered representative of the circumstances and/or are not available because collection of that information was only begun from this half year (environmental data).

² International Standard on Assurance Engagements (ISAE) 3000 revised, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

Performance indicators

Units of measure

% percentage

years years

g/kWh grams per kilowatt hour

hr hours

hrs/person hours per person

i index

kWh kilowatt hours

l / kWh liters per kilowatt hour

mm millions

millions of m³ millions of cubic meters

mm t millions of tons

mm t_{eq} millions of tons equivalent

no. number

t tons

TWh terawatt hours

Acronyms

ESG Environmental Social & Governance

SDG Sustainable Development Goals

UN United Nations

Content Index³

GRI Standards	Disclosure	Account Metric	unit of measure	Data	Half-Year Financial Report	Sustainability disclosures
102-1	Name of the organization				-	p. 1
102-3	Location of headquarters				-	p. 1
102-7 a	Scale of the organization	Workforce	no.	65,923	People management and development at Enel	p. 18
		<i>of which men</i>	no.	51,335		
			%	78		
		<i>of which women</i>	no.	14,588		
			%	22		
102-10	Significant changes to the organization and its supply chain				Sustainable supply chain	p. 24-25
102-17	Mechanisms for advice and concerns about ethics	Reports received for violations of Code of Ethics	no.	78	Values and pillars of corporate ethics	p. 11
		Confirmed violations of Code of Ethics (1)	no.	15		
		<i>- of which violations for conflict of interest/corruption</i>	no.	1		
102-40	List of stakeholder groups				-	2020 Sustainability Report
102-42	Identifying and selecting stakeholders				-	p.2-4
102-45	Entities included in the consolidated financial statements				Subsidiaries, associates and other significant investments of the Enel Group at June 30, 2021	-
102-46	Defining report content and topic boundaries				-	p.1-6
102-47	List of material topics				-	2020 Sustainability Report
102-48	Restatements of information				-	p. 1-6
102-49	Changes in reporting				-	p. 1-6
102-50	Reporting period				-	p. 1-6
102-51	Date of most recent report				-	p. 1-6
102-52	Reporting cycle				-	p. 1-6
102-53	Contact point for questions regarding the report				-	p. 1
102-55	GRI Content Index				-	p. 7-10
102-56	External assurance				-	p. 27-29

³ The information reported in this section concerning the KPIs for emissions and water does not include companies generating electricity from renewable sources acquired during the 1st Half of 2021, for which, given the short time since their acquisition, it was decided to postpone their consolidation in order to enable the alignment of their systems and related reporting procedures.

GRI Standards	Disclosure	Account Metric	unit of measure	Data	Half-Year Financial Report	Sustainability disclosures
Water						
103-1	Explanation of the material topic and its boundary				Fighting climate change and ensuring environmental sustainability	p. 2-4
103-2	The management approach and its components				Fighting climate change and ensuring environmental sustainability	p. 14
103-3	Evaluation of the management approach				Fighting climate change and ensuring environmental sustainability	p. 14
303-3	Water withdrawal	Water withdrawals in water-stressed areas	(%)	27	Fighting climate change and ensuring environmental sustainability	p. 13-14
		Total withdrawals	(mm m³)	25.1		
		Specific water withdrawals for total generation	(l/kWh)	0.18		
Emissions						
103-1	Explanation of the material topic and its boundary				Fighting climate change and ensuring environmental sustainability	p. 2-4
103-2	The management approach and its components				Fighting climate change and ensuring environmental sustainability	p. 13-14
103-3	Evaluation of the management approach				Fighting climate change and ensuring environmental sustainability	p. 13-14
305-1	Direct (Scope 1) GHG emissions	Direct greenhouse gas emissions - Scope 1	(mm t _{eq})	22.4	Fighting climate change and ensuring environmental sustainability	p. 13
305-3	Other indirect (Scope 3) GHG emissions	Indirect greenhouse gas emissions - Scope 3: emissions connected with gas sales	(mm t _{eq})	11.5	Fighting climate change and ensuring environmental sustainability	p. 13
305-4	GHG emissions intensity	Specific direct greenhouse gas emissions - Scope 1	(g CO _{2eq} /kWh)	207	Fighting climate change and ensuring environmental sustainability	p. 13
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Specific emissions of SO ₂	(g/kWh)	0.07	Fighting climate change and ensuring environmental sustainability	p. 13
		Specific emissions of NOx	(g/kWh)	0.32		
		Specific emissions of particulates	(g/kWh)	0.01		

GRI Standards	Disclosure	Account Metric	unit of measure	Data	Half-Year Financial Report	Sustainability disclosures
Employment						
103-1	Explanation of the material topic and its boundary				People management and development at Enel	p. 2-4
103-2	The management approach and its components				People management and development at Enel	p. 18-21
103-3	Evaluation of the management approach				People management and development at Enel	p. 18-21
401-1 a	New employee hires and employee turnover	Hiring rate	%	3.3	People management and development at Enel	p.19
		New hires by gender:	no.	2,206		
		- of which men	no.	1,533		
			%	69.5		
		- of which women	no.	673		
		%	30.5			
401-1 b	New employee hires and employee turnover	Turnover rate	%	4.6	People management and development at Enel	p.19
		Terminations by gender:	no.	3,023		
		- of which men	no.	2,556		
			%	84.6		
		- of which women	no.	467		
		%	15.4			
Occupational Health and Safety						
103-1	Explanation of the material topic and its boundary				Workplace health and safety	p. 2-4
103-2	The management approach and its components				Workplace health and safety	p. 21-23
103-3	Evaluation of the management approach				Workplace health and safety	p. 21-23
403-9	Work-related injuries	Number of hours worked	million hours	207.390	Workplace health and safety	p.22
		Enel	million hours	61.793		
		Contractors	million hours	145.597		
		Total injuries	no.	123		
		Enel	no.	41		
		Contractors	no.	82		
		Injury frequency rate ⁽¹⁾	i	0.593		
		Enel	i	0.664		
		Contractors	i	0.563		
		Fatal injuries	no.	5		
		Enel	no.	1		
		Contractors	no.	4		
		Fatal injury frequency rate	i	0.024		
		Enel	i	0.016		
		Contractors	i	0.027		
		“High consequence” injuries ⁽²⁾	no.	5		
		Enel	no.	1		
		Contractors	no.	4		
		“High consequence” injury frequency rate	i	0.024		
		Enel	i	0.016		
		Contractors	i	0.027		

GRI Standards	Disclosure	Account Metric	unit of measure	Data	Half-Year Financial Report	Sustainability disclosures
Training and Education						
103-1	Explanation of the material topic and its boundary				People management and development at Enel	p. 2-4
103-2	The management approach and its components				People management and development at Enel	p. 19-20
103-3	Evaluation of the management approach				People management and development at Enel	p. 19-20
404-1 a	Average hours of training per year per employee	Average hours of training	hrs/person	14.1	People management and development at Enel	p. 20

APPENDIX

Values and pillars of corporate ethics

A robust system of ethics underlies all activities of the Enel Group. This system is embodied in a dynamic set of rules constantly oriented towards incorporating national and international best practices that everyone who works for and with Enel must respect and apply in their daily activities. The system is based on specific compliance programs, including: the Code of Ethics, the Compliance Model under Legislative Decree 231/2001, the Enel Global Compliance Program, the Zero-Tolerance-of-Corruption Plan, the Human Rights Policy and any other national compliance models adopted by Group companies in accordance with local laws and regulations.

Code of Ethics

In 2002, Enel adopted a Code of Ethics, which expresses the Company's ethical responsibilities and commitments in conducting business, governing and standardizing corporate conduct on the basis of standards aimed to ensure the maximum transparency and fairness with all stakeholders.

The Code of Ethics is valid in Italy and abroad, taking due account of the cultural, social and economic diversity of the various countries in which the Group operates. Enel also requires that all associates and other investees and its main suppliers and partners adopt conduct that is in line with the general principles set out in the Code. Any violations or suspected violations of Enel Compliance Programs can be reported, including in anonymous form, through a single Group-level platform (the "Ethics Point"). In February 2021, the Board of Directors approved an update of the Code of Ethics in order to align its content with the current context, including the current corporate mission and the United Nations Sustainable Development Goals, the current organizational structure and the system of procedures, as well as national and international best practices in the areas of diversity and privacy.

With regard to the Code of Ethics, the following table indicates total reports of violations received and violations confirmed.

		1st Half		
		2021	2020	Change
Total reported violations of the Code of Ethics received	no.	78	76	2
Confirmed violations of the Code of Ethics	no.	15	14	1
- of which violations involving conflicts of interest/bribery	no.	1	1	-

Compliance Model (Legislative Decree 231/2001)

Legislative Decree 231 of June 8, 2001 introduced into Italian law a system of administrative (and de facto criminal) liability for companies for certain types of offenses committed by their directors, managers or employees on behalf of or to the benefit of the company. Enel was the first organization in Italy to adopt, back in 2002, this sort of compliance model that met the requirements of Legislative Decree 231/2001 (also known as "Model 231"). It has been constantly updated to reflect developments in the applicable regulatory framework and current organizational arrangements.

Enel Global Compliance Program (EGCP)

The Enel Global Compliance Program for the Group's foreign companies was approved by Enel in September 2016. It is a governance mechanism aimed at strengthening the Group's ethical and professional commitment to preventing the commission of crimes abroad that could result in criminal liability for the company and do harm to our reputation. Identification of the types of crime covered by the Enel Global Compliance Program – which encompasses standards of conduct and areas to be monitored for preventive purposes – is based on illicit conduct that is generally considered such in most countries, such as corruption, crimes against the government, false accounting, money laundering, violations of regulations governing safety in the workplace, environmental crimes, etc.

Zero-Tolerance-of-Corruption Plan and the anti-bribery management system

In compliance with the tenth principle of the Global Compact, according to which “businesses should work against corruption in all its forms, including extortion and bribery”, Enel is committed to combating corruption. For this reason, in 2006 we adopted the “Zero-Tolerance-of-Corruption (ZTC) Plan”, confirming the Group's commitment, as described in both the Code of Ethics and the Model 231, to ensure propriety and transparency in conducting company business and operations and to safeguard our image and positioning, the work of our employees, the expectations of shareholders and all of the Group's stakeholders.

In 2017, Enel SpA was one of the first companies in the world to obtain certification of the conformity of its anti-bribery management system with ISO 37001:2016 (“Anti-Bribery Management System”). Following receipt of the anti-corruption certification by Enel SpA, the 37001 certification plan was gradually extended to the main Italian and international subsidiaries of the Group.

Human Rights Policy

In order to give effect to the United Nations Guiding Principles on Business and Human Rights, in 2013 the Enel SpA Board of Directors approved the Human Rights Policy, which was subsequently approved by all the subsidiaries of the Group. This policy sets out the commitments and responsibilities in respect of human rights on the part of the employees of Enel SpA and its subsidiaries, whether they be directors or employees in any manner of those companies. Similarly, with this formal commitment, Enel explicitly becomes a promoter of the observance of such rights on the part of contractors, suppliers and business partners as part of its business relationships. With a view to ensuring the continuous improvement and compliance with international standards in this area, an update of the policy has been initiated and is expected to be completed by the end of the year.

Enel conducts specific human rights due diligence for the entire value chain in the various countries in which it operates. The process was developed in accordance with the main international standards such as the United Nations guiding principles on business and human rights and the OECD guidelines and international best practices. During the due diligence process, opportunities for improvement were identified and incorporated in specific action plans for each country in which we operate, as well as an improvement plan to be managed centrally in order to harmonize and integrate processes and policies developed globally and applied locally. In total, around 170 actions were planned in 2020, covering 100% of the operations and sites.

With regard to the sustainability of the supply chain, Enel evaluates suppliers' human rights performance, regardless of the level of risk, through a dedicated questionnaire in which the characteristics of potential suppliers are analyzed with regard to inclusion and diversity, protection of workers' privacy, verification of their supply chain, forced or child labor, freedom of association and collective bargaining, and application of fair working conditions (including adequate wages and working hours). During 2020, the questionnaire was supplemented with additional questions in order to obtain a more accurate assessment of the potential

supplier. Among other things, the Group requires its contractors/providers and subcontractors to respect and protect internationally recognized human rights and comply with ethical and social obligations regarding: the protection of children and women in the labor force, equal treatment, the prohibition of discrimination, freedom of trade unions and the right of association and representation, the prohibition of forced labor, the protection of health, safety and the environment, the safeguarding of health and hygiene conditions and compliance with regulatory, remuneration, contribution, insurance and tax requirements. Suppliers are also expressly asked to undertake to adopt and implement the principles of the Global Compact and to ensure that these are satisfied in the performance of all their activities, whether performed by their employees or subcontractors. In addition, suppliers must undertake to comply with the principles set out in Enel's Code of Ethics, or in any case to be inspired by principles equivalent to those adopted by Enel in the management of their business. Finally, it is specified that the provisions of International Labor Organization conventions or applicable legislation in the country in which the activities must be carried out, if more restrictive, shall apply.

The contracts govern working conditions in their entirety and clearly state all the terms included in the contracts, detail workers' rights (working hours, wages, overtime, allowances and benefits). The terms are translated into the workers' native language and are supported with information contained in documents agreed with employees. Human resource management systems and procedures ensure that minors are not present in the workforce. Internships and work experience projects are also implemented.

Fighting climate change and ensuring environmental sustainability

Main climate change and environmental sustainability indicators⁴

		1st Half
		2021
Direct greenhouse gas emissions - Scope 1 ⁽¹⁾	(million/t _{eq})	22.4
Indirect greenhouse gas emissions - Scope 3 ⁽²⁾ : emissions connected with gas sales	(million/t _{eq})	11.51
Specific direct greenhouse gas emissions - Scope 1 ⁽³⁾	(gCO _{2eq} /kWh)	207
Specific emissions of SO ₂	(g/kWh)	0.07
Specific emissions of NO _x	(g/kWh)	0.32
Specific emissions of particulates	(g/kWh)	0.01
Water withdrawals in water-stressed areas	(%)	27
Specific water withdrawals for total generation	(l/kWh)	0.18

⁽¹⁾ Scope 1 emissions are given by the sum of direct CO₂ emissions and an estimate of CO₂ equivalent emissions from the generation and distribution of electricity and other activities.

⁽²⁾ Scope 3 emissions connected with gas sales regard the Italian, Spanish and Romanian markets.

⁽³⁾ Specific emissions are calculated considering total emissions from thermal generation as a ratio of total renewable, nuclear and thermal generation (including the contribution of heat).

		1st Half			
		2021	2020	Change	
CO ₂ benchmark price	€/ton	43.7	22.0	21.7	98.6%
Ordinary EBITDA from low-carbon products, services and technologies	(millions of euros)	7,304	7,629	(325.0)	-4.3%
Capital expenditure on low-carbon products, services and technologies	(millions of euros)	4,610	3,919	691.0	17.6%
Capital expenditure on low-carbon products, services and technologies as a percentage of total capital expenditure	(%)	95.0	95.0	-	-

⁴ The information reported in this section concerning the KPIs for emissions and water does not include companies generating electricity from renewable sources acquired during the 1st Half of 2021, for which, given the short time since their acquisition, it was decided to postpone their consolidation in order to enable the alignment of their systems and related reporting procedures.

In the 1st Half of 2021, direct emissions of CO₂ equivalent (Scope 1) amounted to about 22.4 million tons equivalent and specific Scope 1 emissions were equal to about 207 g_{eq}/kWh of CO₂. The decline registered by the KPI for specific Scope 1 emissions in the 1st Half compared with the annual value for 2020 (214 g_{eq}/kWh of CO₂) is due to a change in the generation mix compared with the previous year. More specifically, the proportion of thermal generation declined compared with December 2020, reflecting a decrease in coal-fired output, compared with renewable generation. Electricity generated by Enel in the 1st Half of 2021 from zero-emission sources amounted to 63.8% of total output.

Responsible water resource management

		1st Half
		2021
Total withdrawals	(millions of m ³)	25.1
Water withdrawals in water-stressed areas	(%)	27

Water is an essential part of electricity generation, and Enel therefore believes that the availability of this resource is a critical part of future energy scenarios.

Enel constantly monitors all generation sites located in areas at risk of water scarcity ("water-stressed" areas) in order to ensure the most efficient management of the resource.

Site monitoring is conducted through the following levels of analysis:

- > mapping of generation sites in water-stressed areas identified on the basis of the baseline water stress conditions indicated by the World Resources Institute "Aqueduct Water Risk Atlas";
- > identification of "critical" generation sites, i.e. those located in water-stressed areas that draw fresh water for operating needs;
- > verification of the water management procedures adopted in these plants in order to minimize consumption and maximize withdrawals from lower quality or more abundant sources (waste, industrial or sea water).

The water withdrawals in water-stressed areas were equal to about 27% of the total withdrawals. In the 1st Half of 2021, the overall water requirement was 21.4 million cubic meters, while the specific water requirement was approximately 0.18 l/kWh (0.20 l/kWh in 2020).

Preserving biodiversity

Preserving biodiversity is one of the strategic objectives of Enel's environmental policy. The Group promotes specific projects in the various areas in which we operate in order to help protect local species, their natural habitats, and the local ecosystems in general. These projects cover a vast range of areas, including: inventory and monitoring; programs to protect specific species at risk of extinction; methodological research and other studies; repopulation and reforestation; and the construction of infrastructure supports to promote the presence and activities of various species (e.g. artificial nests along power distribution lines for birds or fish ladders at hydroelectric plants), and ecological restoration and reforestation programs.

Electricity distribution and access, ecosystems and platforms

Electricity transported on the Enel distribution grid in the 1st Half of 2021 totaled 245.7 TWh, an increase of 14.6 TWh (+6.3 %) on the same period of 2020, mainly in Italy (+5.4 TWh), Spain (+5.4 TWh) and Brazil (+2.4 TWh).

Electricity sold by Enel in the 1st Half of 2021 amounted to 152.1 TWh, up 7.1 TWh (+4.9%) on the same period of the previous year. The increase in quantities sold was mainly registered in Italy (+2.3 TWh) and Latin America (+4.5 TWh), primarily in Brazil (+3.1 TWh).

Enel's leadership position has been gained thanks to the attention we place on the customer in providing quality services: aspects that concern more than just the provision of electricity and/or natural gas, extending, above all, to intangible aspects of our service that relate to the perception and satisfaction of our customers. Through our products for both the residential and business markets, Enel provides dedicated offers with a lower environmental impact and a concentration on the most vulnerable segments of the population. In fact, all the countries in which the Group operates provide forms of support (often linked to government initiatives) which assist these segments of the population in paying their electricity and gas bills, so as to give everyone equal access to electricity.

Enel has also established numerous processes to ensure customers receive a high level of service. In Italy, the commercial quality of all our contact channels (customer service calls, Enel Points and stores, utility bills, app, e-mail, social media, account manager, fax) is ensured through systematic monitoring of the sales and management processes.

The goal is to ensure compliance with applicable laws and regulations and respect for the privacy, freedom and dignity of our customers.

Enel is also continuing its efforts to expand digitalization, electronic invoicing and new services. With Enel X, we offer innovative solutions to residential customers (technological solutions for smart homes, home automation, solar and photovoltaic systems, boilers, maintenance services, lighting, etc.), government customers (public lighting, monitoring services for smart cities, security systems, etc.) and large customers (demand response services, consulting and energy efficiency solutions). We also promote electric mobility through the development of public and private charging infrastructures.

Enel charging points increased by 36,787 units in the 1st Half of 2021 over the same period of 2020. Charging points sold to private parties increased by 31,869 units, mainly in North America and Italy, while public charging points increased by 4,918, primarily in Italy and Spain.

Innovation and digitalization

For Enel, innovation is one of the key pillars of its strategy to grow in a rapidly changing context while ensuring high safety standards, business continuity and operational efficiency, enabling new uses of energy and new ways of managing it, making it accessible to as many people as possible.

Enel operates through an Open Innovability® model, a consensus-based ecosystem that makes it possible to connect the areas of the Company with innovators of every stripe, be they startups, industrial partners, small and medium-sized enterprises, research centers or universities through dedicated touchpoints, such as the openinnovability.com crowdsourcing platform, the Innovation Hub network and the team responsible for industrial partnerships.

To date, over 60 innovation partnership agreements are active, including 8 of Group relevance with the involvement of different Business Lines in different thematic areas, such as IoT and cyber security, circular materials for safety, sensors for plants and smart grids and digital innovation. Enel is also continuing to

pursue partnerships in the “space economy” sector, collaborating with a number of market leaders including Thales Alenia Space, a leader in the development of space technology and a partner for the creation of innovative space services for NASA, in particular with satellite technology. Furthermore, Enel is working with the European Space Agency (ESA) to promote the development of applications in the space sector to support the safety of distribution networks, economic and environmental sustainability and circular cities.

The global network of 10 Innovation Hubs (of which 3 are also Labs) and 22 Labs (of which 3 are dedicated to startups) consolidates the new model of collaboration with startups and SMEs. The latter offer innovative solutions and new business models, and Enel makes its skills, testing facilities and a global network of partners available to support their development and scale-up. The Hubs are located in the most important innovation ecosystems for the Group (Catania, Pisa, Milan, Silicon Valley, Boston, Rio de Janeiro, Madrid, Moscow, Santiago de Chile and Tel Aviv), they manage relationships with all the players involved in innovation activities and are the main source of scouting for innovative startups and SMEs. The Labs (among which those in Milan, Pisa, Catania, San Paolo, Haifa and Be’er Sheva are the most representative) allow startups to develop and test their solutions together with the Business Lines. Over the course of 2021, thanks to the Group’s stable positioning in innovative ecosystems and the intense use of the Hub and Lab network, more than 70 scouting initiatives were launched (more than half of which in the form of virtual bootcamps) in a range of technological areas. This has enabled Enel to meet some 1,000 startups and launch more than 60 new collaborative initiatives.

The community of 500,000 solvers has enabled Enel to continue its crowdsourcing initiatives globally in 2021, with more than 10 innovation and sustainability challenges launched on openinnovability.com. In the 1st Half of 2021, the number of challenges launched since the platform’s birth reached more than 160, with more than €600,000 in cash prizes paid out to the winners. The challenges were publicized thanks to additional cross-posting and promotional campaigns, for example on the innovitalia.esteri.it platform of the Ministry of Foreign Affairs and International Cooperation and through specialized fora such as [Focus.it](https://focus.it), [Wired.com](https://wired.com) and [Rinnovabili.it](https://rinnovabili.it). With a view to nurturing our Open Innovation approach, the crowdsourcing platform is also open to the publication of challenges by external companies seeking innovative and sustainable solutions to unresolved problems.

Ever increasing importance is being taken on by activities to promote and develop the culture of innovation and entrepreneurship within the Company, working through multiple initiatives such as the training of personnel with the courses offered by the Innovation Academy (many of which are held with internal instructors), the Innovation Ambassadors project, involving people passionate about innovation and creativity who voluntarily dedicate part of their working hours to providing support in solving business challenges with a co-creative and innovative approach, and finally the “entrepreneurship” project *Make it Happen!*, a company contest in which employees can propose innovative business projects or process efficiency projects directly to the Company’s top management.

Furthermore, in the 1st Half of 2020 the activities of the innovation communities continued, involving different areas and skills within the Company. The existing communities involved in energy storage, blockchain, drones, augmented and virtual reality, additive manufacturing, artificial intelligence, wearables, robotics and green hydrogen have been joined this year by four other communities addressing sensor technologies, materials, computer generative design and data monetization. While for the most advanced frontier technologies, the role of communities is exploratory, conducting research into possible use cases and applications, in other fields they play a role in developing and disseminating best practices that can allow technologies to scale and have an ever greater impact on our business: this is the case of drones, where regulatory developments have enabled flights beyond the line of sight (BVLOS), or robotics

solutions, especially in the field of legged-robots and autonomous missions, as well as virtual and augmented reality and artificial intelligence applications.

Awareness and training initiatives in the field of cyber security were strengthened in 2021 with the adoption of a centralized platform valid for the entire Group. In addition, projects involving the development of IT and OT technological solutions are continuing, as are those relating to the extension and adoption of the CERT monitoring services for all technological areas of the Group (OT and IoT) as part of the proactive management of cyber incidents.

Intellectual property: the lever of value creation

In the area of intellectual property, Enel is continuing to pursue the goal of leveraging and developing its intellectual assets as a source of competitive advantage for the Group. Achievement of this objective involves an ambitious project of systematization, collection, coding, and protection of all intangible assets representing intellectual property, regardless of their nature (processes, software, devices, interfaces), the reference Business Line or place of production.

A working group specifically set up within the Group, with the contribution of the Global Business Lines and the main staff functions, is setting up a system for surveying projects and the related output in terms of intellectual property, classification of the assets thus identified on the basis of the forms of protection available at the regulatory level, and connection with the related development costs. As the project evolves, it will give the Group a representation of its intellectual resources and then subsequently introduce models for evaluating the key elements of those resources, adopting the most relevant and appropriate methods.

The project is being implemented in parallel with the activities of the Global Business Lines, which continue to invest resources and skills in the development of innovative and sustainable solutions to sustain the energy transition along the trajectories defined in the business plan. The main solutions developed during the period include the following:

- > Enel X has made use of design to protect its electric mobility products: JuiceMedia, JuiceBox and JuicePole, the latter two having won the *Compasso d'Oro* industrial design prize, and JuiceAbility, a product for recharging electric wheelchairs through the company's charging infrastructure. The same strategy has been deployed used in the residential sector, as in the case of the balcony photovoltaic system, Sun Plug&Play. Finally, the circular economy model has been protected by copyright, a choice also used to leverage and protect Enel X's strategic software platforms;
- > Global Power Generation has continued to develop patents for industrial applications to improve the environmental impact of generation processes, such as: "Solar cell apparatus and method for forming the same for single, tandem and heterojunction systems" in the solar field, "A method for monitoring and controlling the chemistry of a zld process " in the thermal generation field and "Process for the catalytic oxidation of methane" in the geothermal field;
- > Global Infrastructure and Networks continued to pursue its commitment to sustainability issues through network automation and user management solutions, thus contributing to the reduction of emissions for services and processes that would otherwise have required the movement of human resources and vehicles. For example, the patent "Method and system for remote metering the consumption of electricity, water or gas" and software for the remote control of high voltage (STUX) and medium voltage (STM) networks meet these characteristics.

In short, the Group has a total of 852 applications for patents in 137 technological families. Of these, 713 have been granted and 139 are pending. This portfolio ensures protection in all the markets in which the Group is present. Enel's portfolio also includes 13 utility models and 179 designs. As regards trademarks, it is currently estimated that the Group owns 1,435, of which 1,254 have already been granted and 181 for which registration is pending.

People centricity

People management and development at Enel

The Enel Group workforce at June 30, 2021 numbered 65,923 (66,717 at December 31, 2020). The following tables report the number of employees by gender and Business Line.

Workforce

		at June 30, 2021	at Dec. 31, 2020	Change	
Employees by gender:	no.	65,923	66,717	(794)	-1.2%
- of which men	no.	51,335	52,346	(1,011)	-1.9%
	%	77.9	78.5	-0.6	-0.8%
- of which women	no.	14,588	14,371	217	1.5%
	%	22.1	21.5	0.6	2.8%

Workforce by Business Line

No.					
	at June 30, 2021	at Dec. 31, 2020	As a % of total at June 30, 2021	As a % of total at Dec. 31, 2020	Change
Thermal Generation and Trading	8,057	8,142	12.2%	12.2%	(85)
Enel Green Power	8,606	8,298	13.1%	12.4%	308
Infrastructure and Networks	33,225	34,332	50.4%	51.5%	(1,107)
End-user Markets	6,192	6,324	9.4%	9.5%	(132)
Enel X	3,160	2,989	4.8%	4.5%	171
Services	5,715	5,731	8.7%	8.6%	(16)
Other	968	901	1.5%	1.4%	67
Total	65,923	66,717	100.0%	100.0%	(794)

In the 1st Half of 2021, the Group's workforce decreased by 794, reflecting the net balance between hires and terminations for the period (-817) and the change in the consolidation scope (+23), which included the sale of Enel Green Power Bulgaria and the acquisition of CityPoste Payment SpA in Italy.

Change in workforce

Balance at December 31, 2020	66,717
Hirings	2,206
Terminations	(3,023)
Change in the consolidation scope	23
Balance at June 30, 2021	65,923

		1st Half
		2021
Hiring rate	%	3.3
New hires by gender:	no	2,206
- of which men	no.	1,533
	%	69.5
- of which women	no.	673
	%	30.5
Turnover rate	%	4.6
Terminations by gender:	no	3,023
- of which men	no.	2,556
	%	84.6
- of which women	no.	467
	%	15.4

Training and development and remote working

Over the course of the COVID-19 emergency, Enel has ensured the safety of personnel by continuing to implement the flexible working measures adopted in 2020. In the 1st Half of 2021, remote working arrangements were still be used for about 38,400 people in the countries in which the Group is present. This capacity for flexibility and resilience has drawn on the flexible working experience gained in Italy since as early as 2016 and then gradually extended throughout the Group and on the digital and technological transformation, which made Enel the first utility company to fully operate in the cloud.

The new approach to working has benefitted from the many support tools and services that have become available to everyone, giving people the tools essential to working from home, ensuring the circulation and dissemination of information and the effective organization of activities. Training and awareness raising initiatives continued to support the adoption of fully digital working methods and to promote a work culture based on autonomy, delegation and trust, and attention to the well-being of people and their families.

Growing automation and technological evolution open up new scenarios for the Group and its people and are driving the need for new technical and professional expertise and the simultaneous waning of other skills.

In this context, the targeted reskilling and upskilling programs have therefore been strengthened, the former aimed at learning skills and expertise that enable people to fill new positions and roles, while the latter involve the development of training and empowerment courses that enable employees to improve their performance in their job, increasing the skills available to them their current position.

Enel promotes training activities for its people as a key element in ensuring their constant development. We have developed career paths to foster the evolution of our talent, the valorization of passions and personal aptitude and the development of new languages, also promoting the formation of internal trainers ("train the trainer"). In the 1st Half of 2021, more than 970,000 hours of training were provided, a slight increase compared with the previous year despite the fact that almost all training was delivered remotely due to the COVID-19 pandemic. This was made possible by the upgrading of digital tools and the E-Education platform, which ensured broad access to content and expanded the culture of digitalization for learning. The training courses covered issues related to conduct, technical issues, safety, new skills and digital culture.

		1st Half
		2021
Average number of training hours	hrs/person	14.1

Diversity and inclusion

Enel's commitment to promoting diversity and inclusion is a process that started in 2013 with the adoption of our policy on human rights, followed in 2015 by our global diversity and inclusion policy, published in conjunction with Enel's adoption of the Women's Empowerment Principles (WEP) promoted by the UN Global Compact and UN Women and in line with the UN Sustainable Development Goals. In 2019, the global workplace harassment policy was presented. It sets out the principle of respect for integrity and dignity of the individual in the workplace and addresses the issues of sexual harassment and harassment connected with discrimination, the principles of which are delineated in the Statement against Harassment in the Workplace.

Enel's approach is based on the fundamental principles enunciated in the diversity and inclusion policy, such as non-discrimination, equal opportunities and human dignity in all its forms, inclusion and promoting work-life balance. The application of this policy has enabled the development of global and local projects that focus on diversity in terms of gender, disability, age, nationality and disseminating the culture of inclusion at all levels of the organization. Activities aimed at enhancing diversity and promoting inclusion play a fundamental role in guaranteeing fairness and non-discrimination in a profoundly changed context that highlights new areas of attention such as, for example, gender inequality for those who work from home in difficult circumstances, the difficulty of the inclusion of staff with particular disabilities and, more generally, the difficulty of maintaining the cohesion of remote working teams.

These issues were addressed with various initiatives aimed at raising awareness of everyone's responsibility to act in a truly inclusive manner, with a communication campaign that developed the themes touched upon by Unlock Inclusion – the event whose 2020 edition was dedicated to the combination of connection - authentic inclusion – with empowerment projects for women and the global Mind the Gap campaign that looks at gender bias with an ironic eye, and within the Value for Disability project with actions for personnel with disabilities that emerged from plan approved by the Board of Directors at the end of 2020.

The progress of D&I policies is monitored periodically through a global reporting process that measures the performance of a comprehensive set of KPIs on all dimensions for internal and external purposes. In particular, with regard to gender, Enel has set itself two public objectives: to ensure an equal balance of the two genders in the initial stages of the selection processes (50% by 2021) and to increase the representation of female managers and middle managers. In the 1st Half of 2020, women represented 46% of people involved in the selection process, an increase on 2020 (44% in 2019), while the proportion of female managers and middle managers increased to 29.7%, up from 29.4% in 2020.

As part of the Value for Disability project, the actions envisaged in the related action plan are continuing: a global policy on digital accessibility has been issued. In many countries, initiatives have been implemented to disseminate a new approach to the inclusion of employees with disabilities and the promotion of their effective participation. In Italy, new services dedicated to people with chronic diseases also continue to be rolled out.

The following table demonstrates Enel's commitment to diversity and inclusion, showing the number of women in management positions (managers and middle managers).

		at June 30, 2021	at Dec. 31, 2020	Change
Women in management positions	no.	3,897	3,825	72 1.9%
	%	29.7	29.4	0.3 1.0%

Workplace health and safety

Enel considers employee health, safety and general well-being to be its the most valuable asset, one to be preserved both at work and at home. We are therefore committed to developing and promoting a strong culture of safety that ensures a healthy work environment and protection for all those working with and for the Group. Safeguarding our own health and safety and that of the people with whom we interact is the responsibility of everyone who works for Enel. For this reason, as provided for in the Group "Stop Work Policy", everyone is required to promptly report and halt any situation of risk or unsafe behavior.

The constant commitment of us all, the integration of safety both in corporate processes and training, the reporting and detailed analysis of all information, near misses, safety warnings, non-compliance, controls, rigor in the selection and management of contractors, the sharing of experience and best practices throughout the Group as well as benchmarking against the leading international players are all cornerstones of Enel's culture of safety.

This commitment to report every risk situation is reinforced at Enel by the Near Misses and Safety Observations policy, which seeks to disseminate the principle of proactive conduct and the involvement of teams and personnel in preventing all risk situations and protect one's self and your colleagues.

During 2021, the focus on "data-driven safety" was further refined, with the goal of defining selective prevention safety indicators that help identify areas with the greatest probabilistic risk in order to address the areas of preventive intervention to prevent injury by defining in which technology, country or area, or with which internal personnel or contractor, to intervene.

Based on the presumption that no distinction can be made in terms of safety between its own personnel and contractor personnel, Enel is continuing its Contractor Safety Partnership program, disseminating safety standards, cardinal values such as the Stop Work Policy, and on-site support through Safety Support activities for those who follow improvement programs and then concretely perform well in safety-related areas. As part of the Safety Partnership, a specific unit within the Holding's HSEQ function collaborates with companies on the training of contractor personnel, always keeping the responsibilities of the contractor company in respect of Enel well separated.

Attention to the health and safety of Enel employees, as well as suppliers and subcontractors, and respect for and protection of the environment, are key corporate values.

The Enel Group's approach is to consider the supplier a true partner with whom we agree the cardinal principles of safety and the environment, such as the Zero Accidents goal, and the importance of the Stop Work Policy: tools that enable workers to promptly report and stop any situation of risk that threatens to harm people or the environment.

Enel is committed to increasing safety and environmental skills both in terms of technical knowledge and cultural approach in order to promote a new approach to working, one that is safer for people and more sustainable for the environment.

To this end, in all phases of the procurement process, from supplier qualification to the award of the contract, the Group has adopted specific tools to monitor the management of health, safety and environmental requirements. In particular, in the contract execution phase, suppliers are constantly involved and evaluated. Close monitoring is accompanied by a continuous process of on-site inspections and consequence management activities specifically developed for a supplier's safety and environmental risk profile, with the aim of improving performance.

The Safety Assessment is also part of the Supplier Performance Management system, aimed at monitoring the performance of suppliers in different areas, for which the safety index significantly affects the assessments of the Company's overall performance.

Detailed information, combined with the direct involvement of people for the dissemination of the safety culture in terms of the adoption of safe behaviors and risk perception and assessment, sharing of lessons learned and best practices, are an integral part of this process.

In the first six months of 2021, a total of 728 Contractor Assessments were carried out despite the COVID emergency.

The following table reports the main workplace safety indicators.

		1st Half			
		2021	2020	Change	
Number of hours worked	millions	207.390	193.629	13.761	7.1%
Enel	millions	61.793	63.171	(1.378)	-2.2%
Contractors	millions	145.597	130.458	15.139	11.6%
Total injuries	no.	123	102	21	20.6%
Enel	no.	41	41	-	-
Contractors	no.	82	61	21	34.4%
Injury frequency rate ⁽¹⁾	i	0.593	0.527	0.066	12,5%
Enel	i	0.664	0.649	0,015	2,3%
Contractors	i	0.563	0.468	0,095	20,3%
Fatal injuries	no.	5	4	1	25.0%
Enel	no.	1	1	-	-
Contractors	no.	4	3	1	33.3%
Fatal injury frequency rate	i	0.024	0.021	0.003	14.3%
Enel	i	0.016	0.016	-	-
Contractors	i	0.027	0.023	0.004	17.4%
"High consequence" injuries ⁽²⁾	no.	5	6	(1)	-16.7%
Enel	no.	1	2	(1)	-50.5%
Contractors	no.	4	4	-	-
"High consequence" injury frequency rate	i	0.024	0.031	(0.007)	-22.6%
Enel	i	0.016	0.032	(0.016)	-50.0%
Contractors	i	0.027	0.031	(0.004)	-12.9%

(1) This index is calculated as the ratio between the number of injuries (all injury events including those with three or fewer missed days of work) and hours worked/1,000,000.

(2) Sum of:

- injuries that involved more than six months of absence from work;
- injuries that were still under investigation and are considered serious (initial prognosis > 30 days);
- injuries classified as "life changing accidents" (LCA), regardless of the number of missed days of work connected with them.

In the first six months of 2021, the injury frequency rate for Enel employees increased to 0.664 injuries for every million hours worked (+2.3% compared with the same period of 2020). In the 1st Half of the year, 1 fatal accident occurred in Italy involving Enel Group employees, while 4 fatal accidents involved contractors (2 in Brazil, 1 in Chile and 1 in Italy). The causes of these 5 fatal accidents were associated with electrical incidents (3), falls (1) and crushing incidents (1). Also in 2021, 5 "high consequence" accidents occurred, 1 involving an employee of the Enel Group in Italy and 4 involving contractors in Brazil (3) and Spain (1).

The Enel Group has established a structured health management system, based on prevention measures to develop a corporate culture that promotes psycho-physical health, organizational wellbeing and a balance between personal and professional life. With this in mind, the Group conducts global and local awareness campaigns to promote healthy lifestyles, sponsors screening programs aimed at preventing

the onset of diseases and guarantees the provision of medical services. The Enel Group has a systematic and ongoing process for identifying and assessing work-related stress risks, in accordance with the Stress at Work Prevention and Wellbeing at Work Promotion policy, for the prevention, identification and management of stress in work situations, also providing recommendations aimed at promoting a culture of organizational wellbeing.

The Group also constantly monitors epidemiological and health developments in order to implement preventive and protective measures for the health of employees and those who work with the Group, both locally and globally. Since the outset of the COVID-19 emergency in February 2020, Enel has taken steps to protect the health of all workers and ensure the continuity of electricity supply to the communities in which it operates, first and foremost with the establishment of dedicated global and Country-specific task forces and, subsequently, with the creation of a function specifically responsible for overseeing this process.

Confirming the utmost attention to the management of the COVID-19 emergency and with the intention of establishing an organized structure to address possible future emergency situations, the Pandemic Emergency Management unit has been formalized, with liaisons in each Business Line and Country in which the Group operates. The goal is to ensure the monitoring of emergency situations, the definition of the global strategy and policies and their adoption in every Group organization, as well as directing, integrating and monitoring all the prevention, protection and intervention actions aimed at safeguarding the health of employees and contractors, also in relation to exogenous health risk factors that may not be strictly related to work activities.

This year had seen the Enel Group focused on strengthening the measures and programs to address well-being issues, which have become increasingly necessary in order to guarantee the well-being of its workers not only in the midst of a pandemic but looking to the future and to new ways of working.

Responsible relations with communities

The health emergency has had sweeping socio-economic consequences at a global level. The economic effects of the crisis have also increased vulnerability and inequality in the communities in which the Group operates, but thanks to our strong and extensive roots in those communities we have been able to identify measures to provide immediate support to address health and socio-economic emergencies. From Europe to Latin America, Asia, Africa and Australia, the Enel Group implemented about **450** sustainability projects as an immediate response in two main areas:

- > containment of the health emergency with aid initiatives for hospitals and people working on the front line;
- > support for the economic revitalization of communities, through programs to support food security, development of micro-entrepreneurship, services for vulnerable customers and professional and educational distance training.

Our knowledge of specific local circumstances and constant listening to the needs of stakeholders have also made it possible to develop concrete responses to the new context delineated by restrictions such as social distancing and travel bans and the multiplicity of economic, social and cultural realities in which Enel operates and of which it is an integral part in the operation of our assets. Specific initiatives have focused on local socio-economic development plans, with targeted solutions to stimulate economic recovery through the development of local markets, specific services dedicated to vulnerable customers and actions aimed at combating energy poverty and ensuring social inclusion for the weakest categories of the population by leveraging access to new technologies and circular economy approaches.

The continuous attention to social and environmental factors, combined with the objective of contributing to the economic and social progress of the communities, makes it possible to create long-term value for the Company and for the communities in which it operates, promoting a new balanced development model that leaves no one behind. This model has been incorporated along the entire value chain: analyzing the

needs of communities right from the development phases of new activities; taking account of social and environmental factors in the establishment of sustainable worksites; managing assets and plants to make them sustainable development platforms to the benefit of the territories in which they are located. Another development was the extension of this approach to the design, development and supply of energy services and products, helping to build increasingly sustainable communities.

In the 1st Half of 2021, Enel developed over 1,200 projects with 3.48 million beneficiaries, concretely contributing to the development and social and economic growth of local communities. The projects to ensure access to affordable, reliable, sustainable and modern energy (SDG 7) have involved 10.7 million people to date,⁵ those to foster the economic and social development of communities (SDG 8) have reached 3.7 million beneficiaries,⁶ while initiatives to promote quality education (SDG 4) have benefited 2.5 million people.⁷

A fundamental lever in implementing these projects is the use of partnerships with social enterprises, non-profit organizations, startups and institutions operating both locally and internationally that promote the development of the territory through innovative and tailor-made interventions. As of the 1st Half of 2021, the Group had about 500 such partnerships. The search for social innovation ideas and solutions through the Open Innovability® ecosystem is constant, based on openness and sharing through various tools such as, for example, crowdsourcing platforms (openinnovability.com) and the Innovation Hub network.

The progress in terms of the Group's contribution to achieving the United Nations Sustainable Development Goals (SDGs) has also enabled Enel to revise its 2030 goals, doubling the number of people it intends to benefit from through projects to ensure quality education (SDG 4: target of 5 million beneficiaries by 2030) and access to energy (SDG 7: target of 20 million beneficiaries by 2030). The commitment to initiatives to promote long-lasting, inclusive and sustainable economic growth has also been confirmed (SDG 8: target of 8 million beneficiaries by 2030).

Sustainable supply chain

In addition to meeting certain quality standards, the services of our vendors must also go hand in hand with the adoption of best practices in terms of human rights and working conditions, health and safety and environmental and ethical responsibility. Our procurement procedures are designed to guarantee service quality in full respect of the principles of economy, effectiveness, timeliness, fairness and transparency. The procurement process plays a central role in value creation in its various forms (safety, sustainability, savings, timeliness, quality, earnings, revenue, flexibility) as a result of ever-greater interaction and integration with the outside world and the different parts of the company organization. In the 1st Half of 2021, we signed agreements with a total of about 5,000 vendors.

Vendor management involves three essential stages, which integrate social, environmental and governance issues: the qualification system, the definition of general terms and conditions of contract and the Supplier Performance Management (SPM) system in the evaluation process. Enel's global vendor qualification system (with about 18,000 active qualifications as at June 30, 2021) enables us to accurately assess businesses that intend to participate in tender processes through the analysis of compliance with technical, financial, legal, environmental, health and safety, human and ethical rights and integrity requirements, representing a guarantee for the Company. As regards the tendering and bargaining process, Enel's continued to introduce aspects related to sustainability in tendering processes, not only with the use of specific "K for sustainability" factors reward vendors, but also through the use of mandatory

⁵ Cumulative 2015 - 1st Half 2021 figures for total number of SDG 7 beneficiaries to date.

⁶ Cumulative 2015 - 1st Half 2021 figures for total number of SDG 8 beneficiaries to date.

⁷ Cumulative 2015 - 1st Half 2021 figures for total number of SDG 4 beneficiaries to date.

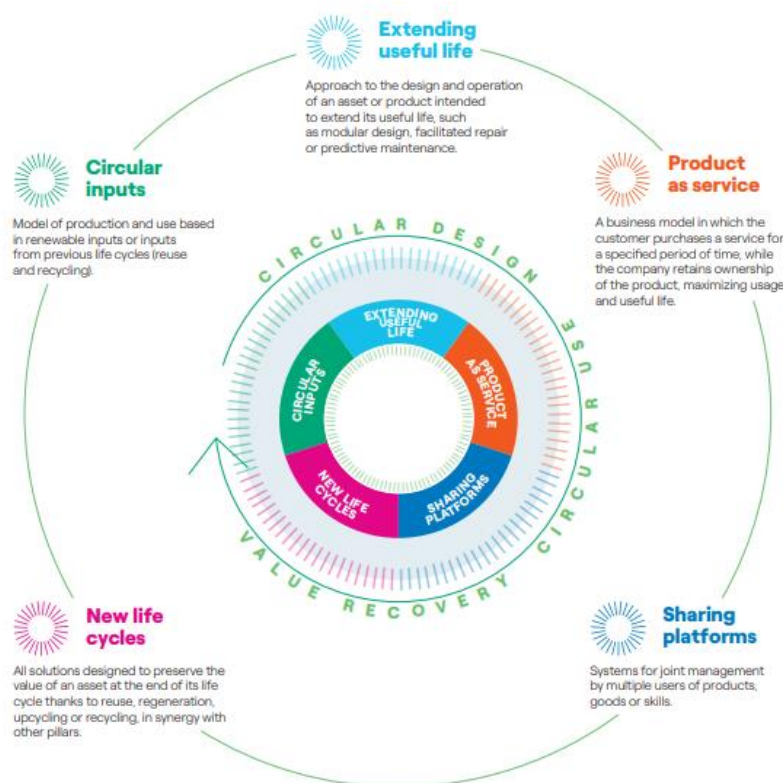
sustainability requirements that take account of the environmental, social and safety factors of suppliers. To facilitate the application and monitoring of these requirements, the first version of the sustainability requirements library was implemented on the WeBUY purchasing portal during the 1st Half of 2021. In another development in the early months of 2021, all the standards (Product Category Rules) necessary to obtain the Environmental Product Declaration (EPD) were published. This certification is intended to quantify, certify and communicate the impacts generated during the entire life cycle of the contract (water consumption, CO₂ emissions, impact on the soil, material recycled, etc.). This allows us to establish sector benchmarks and develop improvement programs with the suppliers currently involved in this process, who now number more than 200 in 12 categories of strategic products that account for about 60% of the Group's annual spending. Furthermore, specific contractual clauses regarding sustainability are envisaged in all contracts for works, services and supplies, including respect for and protection of human rights and compliance with ethical and social obligations. The SPM system is designed to monitor vendor services in terms of the quality, timeliness and sustainability of contract execution.

Furthermore, we continued working on those activities that enable the ever-greater integration of environmental, social and governance issues in the supply chain strategy, creating shared value with vendors. These include meetings and information initiatives with contractors on sustainability issues, with specific regard to safeguarding health and safety.

The circular economy

For Enel, the circular economy represents a strategic driver for rethinking the existing model of development, combining innovation, competitiveness and sustainability to respond to today's great global environmental and social challenges.

The Group's vision is based on five pillars, which serve as levers for action.



For the result to be effectively transformative, the circular approach must inevitably embrace the entire value chain. For this reason, it has been implemented in all the Group's activities, acting both through the Business Lines, as regards technologies and business models, and through the Countries, as regards cross-sectoral synergies, collaborations and ecosystems. Since 2018, a global project has been operational with suppliers to measure the circularity of what we purchase, reward the most virtuous and co-innovate to rethink assets and products together. The generation and distribution areas are deploying innovation to revise the value chain of new installed assets – such as smart meters, photovoltaics and wind power – from a circular point of view, and leveraging their assets during operations and at the end of their lives. Trading operations are supporting this transition by extending its skills to the areas of new materials and secondary raw materials. Enel X is presenting itself as an accelerator of the circularity of its customers, both by continuously measuring and improving its products and services and by providing measurement and consulting services to customers to increase their circularity.

Since the initial stages of adopting a circular approach, Enel has placed a strong focus on measuring the environmental and economic benefits of circularity, with the awareness that a model that exceeds and, ideally, eliminates the consumption of non-renewable resources must be measurable in order to be not only sustainable but also economically competitive. As part of the 2020 Capital Markets Day, for example, a new circularity indicator was introduced for generation assets, supplementing existing indicators on direct emissions. This additional indicator photographs the evolution over the years of the consumption of materials per MWh generated on a whole life basis, measuring the consumption of materials throughout the life cycle: from production to installation, to decommissioning of generation assets.



KPMG S.p.A.
Revisione e organizzazione contabile
Via Curtatone, 3
00185 ROMA RM
Telefono +39 06 80961.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(Translation from the Italian original which remains the definitive version)

Independent auditors' report on the interim sustainability report

*To the board of directors of
Enel S.p.A.*

We have been engaged to perform a limited assurance engagement on the interim sustainability report for the six months ended 30 June 2021 of the Enel Group (the "group").

Directors' responsibilities for the interim sustainability report

The directors of Enel S.p.A. (the "parent") are responsible for the preparation of an interim sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), as described in the "Explanatory note" section of the interim sustainability report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of an interim sustainability report that is free from material misstatement, whether due to fraud or error.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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



Enel Group

*Independent auditors' report on the interim sustainability report
30 June 2021*

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the interim sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the interim sustainability report is free from material misstatement.

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

The procedures we performed on the interim sustainability report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the interim sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

- 1) analysing the reporting of significant aspects process, specifically how these aspects are identified and prioritised for each stakeholder category and how the process outcome is validated internally;
- 2) comparing the financial disclosures presented in the "Fighting climate change and ensuring environmental sustainability" section of the interim sustainability report with those included in the group's interim financial report;
- 3) understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the interim sustainability report.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the interim sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent level
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the interim sustainability report;
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information.
- we held videoconferences with the management of Enel Russia PJSC and Enel Produzione S.p.A., which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.



Enel Group

*Independent auditors' report on the interim sustainability report
30 June 2021*

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the interim sustainability report of the Enel Group for the six months ended 30 June 2021 has not been prepared, in all material respects, in accordance with the GRI Standards that are detailed in the "Explanatory note" section of the interim sustainability report.

Other matters

The comparative figures for the corresponding period of the previous year presented in the interim sustainability report have not been examined.

Rome, 3 August 2021

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit