Tax Transparency Report
Enel Group May 2022

Message from the CFO

Alberto De Paoli

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Enel Group

"Fair, responsible and transparent taxation is one of the key elements of Stakeholder Capitalism".

Given the major global challenges we face as a company and as an economic system, this year we have created a concept of additional metrics to define fully the concept of value creation inspired by the principles of Stakeholder Capitalism.

The metrics used to determine a company's profitability and soundness must reflect an integrated approach to sustainability over the long term in a way that does not just measure its success by traditional financial metrics, such as net income and free cash flow, but that integrates them so as to measure and communicate the quality of the company's actions and the effects of its activity on the sustainable development of communities, society, the planet, people, suppliers, customers, lenders and investors.

In this context, our fourth Tax Transparency Report takes on even more relevance, because it is crucial that tax contributions and its evidences and findings are represented in a simple and effective way to all, being one of the key components of the value distributed to communities. All this always in an environment of continuous cooperation and collaboration with the tax authorities.

Contents

1. Business and value chain

Enel is an industrial group whose main activity involves power generation, distribution and sales according to a value chain structure described below.
The choice of the countries of tax residence of the companies in which the Group is organized is guided exclusively by business choices and not by tax reasons.
The Group's value chain is structured according to the following stages:

Generation – Enel Green Power and Thermal Generation
This step pertains to the operation of plants which generate electricity through the use of various sources (wind, solar, geothermal, coal, oil and natural gas).

Distribution – Global Infrastructure and Networks
This step pertains to the delivery of the electricity generated to the intended delivery points.

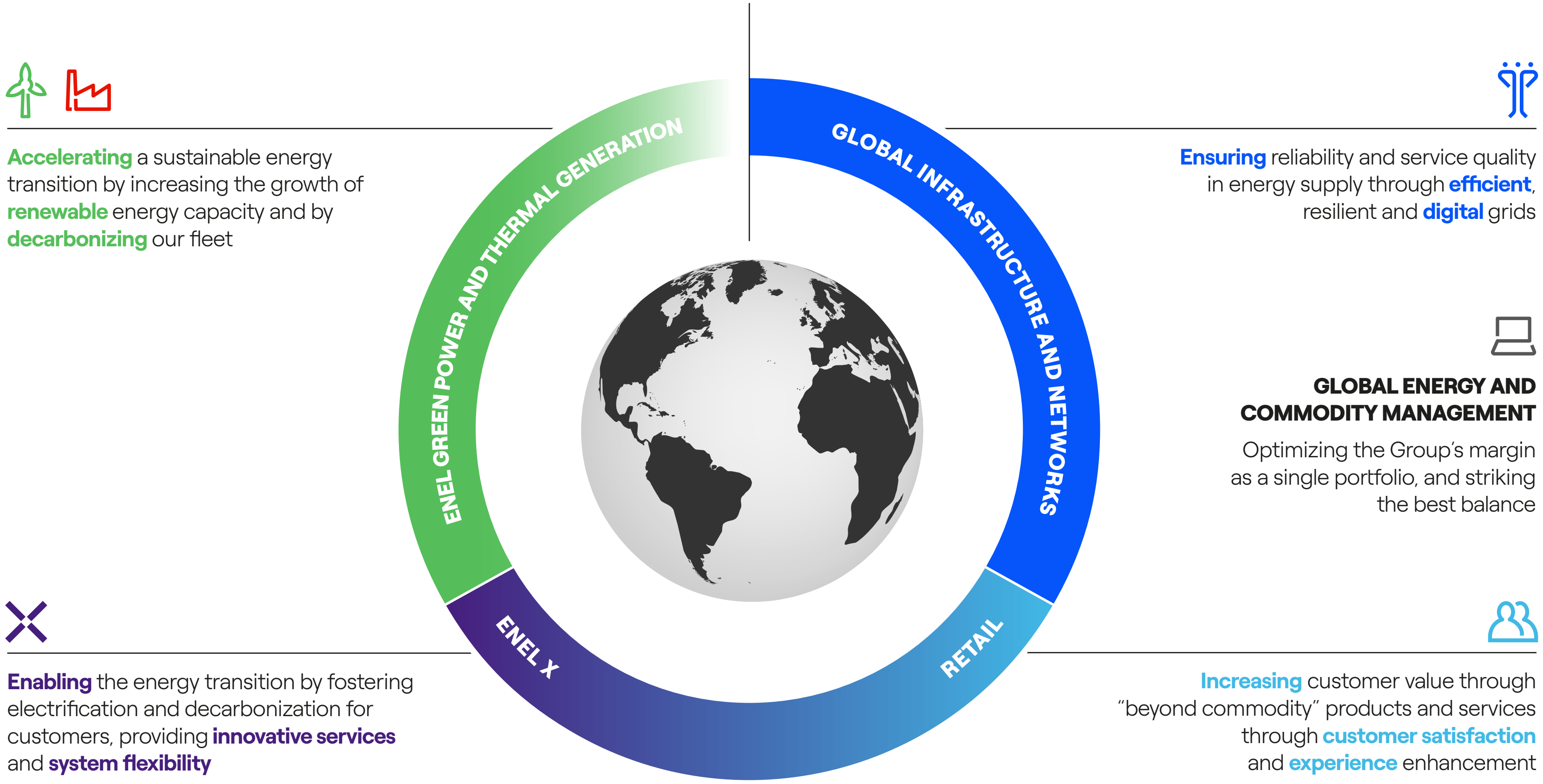
Wholesale of Power – Global Energy & Commodity Management
This step pertains to the trading of commodities (including electricity volumes) on dedicated exchanges for hedging or proprietary trading purposes.

Retail and Enel X
These final steps pertain to the final sale of electricity and natural gas to the end users and to enable the energy transition by acting as an accelerator for the electrification and decarbonization of customers.

The Group's entire turnover is driven by this offer of goods and services. In order to realize its mission, the Group has structured its activities through a highly vertically integrated organization along the entire value chain and consists of subsidiaries or affiliates in all countries where Enel is present.

The following image shows the main purposes of the individual steps outlined above. In order to understand better the tax contribution in the countries and regions in which the Group operates, we have included the steps of the value chain in our Country-by-Country Reporting, along with the additional business areas given below.

Business sector	Description of business sector
enel	Group Holding
	Country Holding
	Services
	Financial



2. Enel's tax strategy, governance and principles

Tax transparency approach

Tax governance, control and risk management

Transparent relations with stakeholders

Tax transparency approach

Tax strategy

Since 2017 the Enel Group has had a tax strategy understood as a set of principles and guidelines inspired by the values of transparency and legality and published online at www.enel.com. The Group's subsidiaries are required to adopt the tax strategy approved by the Parent Company, thereby assuming the responsibility for ensuring its acknowledgement and application.

Tax strategy objectives

The **Board of Directors** of Enel SpA defines the tax strategy of the entire Group, with the objective of ensuring uniform management of taxation for all entities concerned and which 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 one 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 own sustainability strategy, the Group manages its tax assets in compliance with the values of honesty and integrity and is aware that the revenues deriving from levies represent one of the main sources of contribution toward economic and social development of the countries in which it operates.

Legality: the Group pursues behavior oriented toward observance of the applicable tax provisions and is committed to interpreting them in order to respect not only their form but also their substance.

Tone at the top: the Board of Directors has the role and responsibility of guiding the promotion of a corporate culture that is based on the values of honesty, 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 an economic component of business 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 SpA 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

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, the 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.

Intercompany transactions

Intercompany transactions are structured at market prices and conditions, ensuring value creation in the places where the Group conducts its business. For all intercompany transactions relevant to transfer pricing regulations, the Enel Group has adopted a policy that is 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").

To this end, 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).

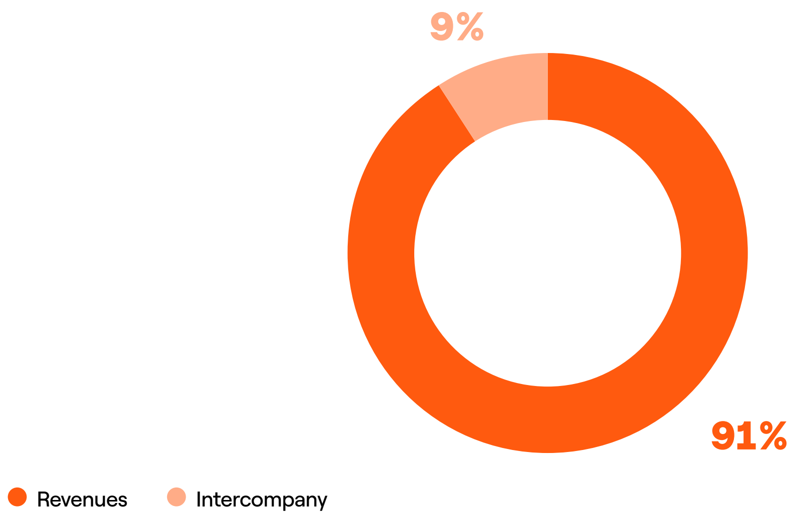
In addition, consistent with the applicable regulations, the signing of Advance Pricing Agreements (APAs) with local tax authorities is promoted. These concern the definition of transfer pricing methods, the allocation of profits and losses to permanent establishments, and the application of rules regarding cross-border flows between Group entities.

With specific regard to **intercompany financial transactions**, the 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.

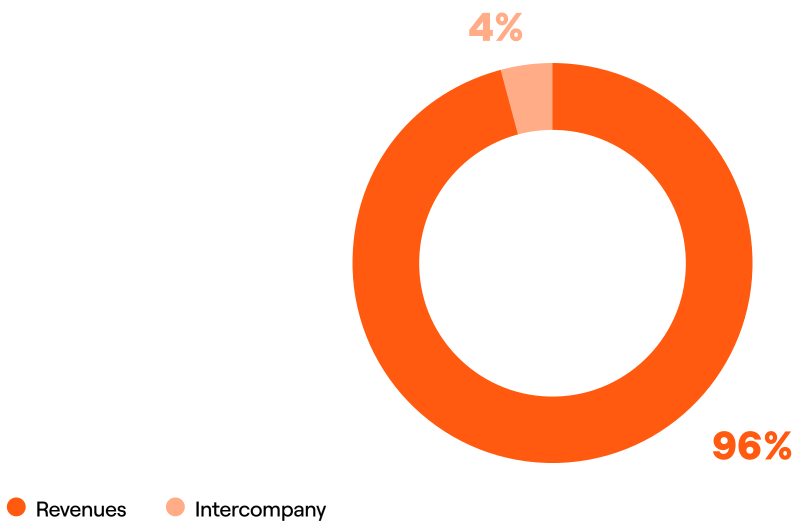
Tax transparency approach

When analyzing the size of intercompany transactions, it can be seen that these account for a minimal percentage (generally around 4%) of the Group's total aggregate revenues[1], due to the fact that the energy business is conducted almost entirely within the boundaries of the individual country, from the power generation process to market sales. However, with the same number of transactions as in the past, 2021 saw exponential growth in commodity prices and associated hedging transactions, with impacts on revenues resulting in an increase of 9%, which in any case was insignificant compared to the value of the Group's total revenues.

Intercompany transactions 2021



Average intercompany transactions 2018-2020



(1) The calculation was carried out by comparing the revenues of cross-border intercompany transactions on the basis of the total revenues reported in the OECD CbCRs (Country-By-Country Reports) of the respective tax periods (i.e. 121,170 million euros in 2018; 125,901 million euros in 2019; 108,168 million euros in 2020 and 156,622 million euros in 2021).

Tax transparency approach

Low-Tax Jurisdictions

The Group does not make investments 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 and strategic reasons and have the aim of developing the activities included in the Group's corporate purpose.
In cases where, in circumscribed situations (for example, in the case of the purchase of companies from third parties), the presence of structures created for the sole purpose of reducing the tax burden or located in territories qualified as tax havens is found, the Group is committed to the elimination of such structures at the earliest practicable time.

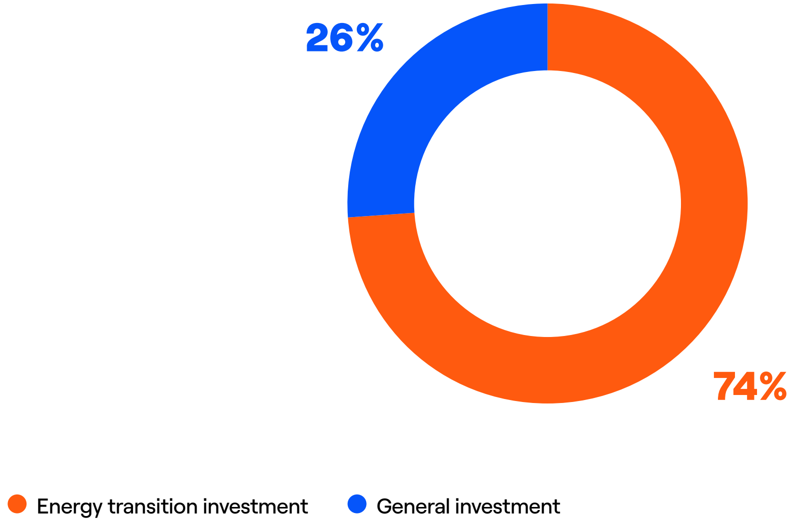
Tax incentives

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 determines a reduction in long-term tax payables (tax reduction) or else only the temporary deferral of the tax payment. The Enel Group only uses widely applicable tax incentives for all operators and respects 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 transparency approach

Below are the most relevant tax incentives from which the Enel Group benefited financially in 2021, in the main countries where it is present.

Energy transition

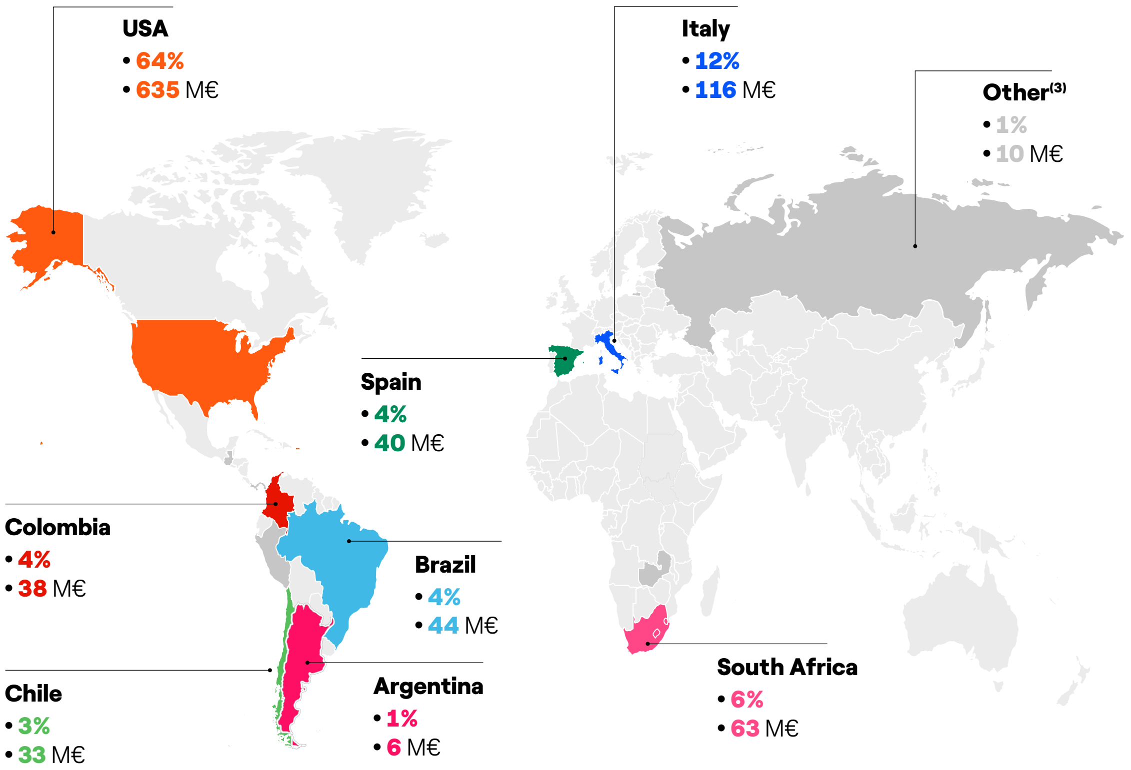


A significant share (approximately 74%) of the total tax incentives used by Enel in 2021 was due to investments in renewable energies in those countries[(2)] that support the energy transition through these economic policy instruments.
The remaining share of incentives not directly related to the **energy transition** is mainly due to the following five types of subsidies: (i) VAT exemption on imports of equipment or goods intended for specific investment projects; (ii) incentives for investments that allow for depreciation in excess of purchase cost; (iii) support for investments in Research & Development; (iv) incentives for the development of certain disadvantaged countries and regions; and (v) support for business start-up phases.

(2) These incentives are mainly located in the USA (more than 87%) and to a lesser extent in South Africa, Colombia, Guatemala and Panama.

Tax transparency approach

Countries



(3) Panama, Peru, Russia, Zambia and Guatemala.

Geographically, almost 64% of the total tax incentives are located in the US, which uses tax leverage to support energy transition investments. The main measures involved are the granting of tax credits to companies, geared to (i) investments in the construction of plants for the generation of electricity from renewable sources and the production of the same electricity over a certain period of time[(4)], and (ii) accelerated depreciation[(5)]. Of the remainder, a significant share (around 27% of the total) is concentrated in Italy[(6)], South Africa[(7)], Spain[(8)] and Brazil[(9)].

(4) These tax credits, better known as Investment Tax Credits (ITCs) and Production Tax Credits (PTCs), are granted, as regards ITCs, on the basis of a certain percentage of costs/investments incurred/realized for the construction of plants for the generation of energy from renewable sources as a one-off credit and, as regards PTCs, on the basis of the amount of MWh generated during the first 10 years of the plant's operation. ITCs and PTCs can be used (i) to finance the construction of projects through their transfer, and thus their monetization, to "Tax Partners" or (ii) to offset Income Tax owed by the taxpayer.

(5) Accelerated tax depreciation allows companies to recover, for tax purposes, in just one year or, in some cases, five years, the cost incurred for the acquisition of assets related to renewable energy projects, despite the fact that the useful life of such plants or assets is significantly longer (typically ~25 years).

(6) The incentives relate in particular to the Super and Hyper depreciation provided for by the measures introduced by the government in 2016 (with subsequent extensions and amendments) to incentivize investments under the "Industry 4.0" program and the "patent box" scheme introduced in 2015, as subsequently amended, and targeted at the development and exploitation of intellectual property (software, industrial patents, designs and models, processes, formulas, trademarks, know-how and information relating to experience acquired in the industrial, commercial or scientific field that can be legally protected).

(7) The incentives relate in particular to accelerated depreciation over three years for assets used in renewable energy generation.

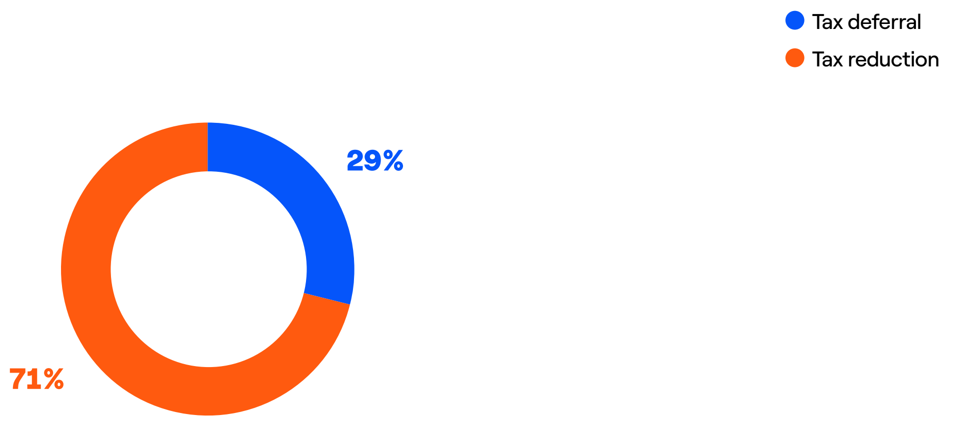
(8) The incentives mainly concern deductions and tax credits in order to promote economic and social development and productive diversification in the Canary Islands.

(9) The incentives mainly concern: (i) support for business start-up phases (i.e. presumed profit); (ii) the promotion of culture in the States of Rio de Janeiro and Ceará through the recognition of tax credits for donations in the cultural sector; and (iii) government policies to stimulate investment and, consequently, economic growth in the depressed regions of the Northeast of the country.

Tax transparency approach

29% of the incentives allow **only temporary tax deferral**[10]. The remainder relates to **long-term forms of tax reduction**, of which 68% is accounted for by subsidies in the US for plant construction and renewable energy generation (ITC/PTC).

Temporary deferral of the tax burden



(10) These are incentives that allow for only the temporary deferral of tax payments, that will nevertheless have to be paid at a later date (e.g. an advance deduction of an expense) or the advance recovery of indirect taxes already paid (advance VAT refund and/or exemption).

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.

Tax governance, control and risk management

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 must be considered key points of reference that all parties, depending on their type of relationship with the Group, are required to observe[11]. 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 in force – both at global and local level – regarding the processes of tax compliance, tax planning, tax monitoring, transfer pricing and tax risk management.
The general principle is that the Tax units must be of 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 compliance oversight. 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 appropriate alignment.

(11) For example, the Code of Ethics; the Zero Tolerance for Corruption Plan; the 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 national collective labor agreements; 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) the main aim of which is to provide the Tax units with a single and consistent set of guidelines 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 assess, monitor and manage the relevant tax risk for the Group companies consistently, 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 country in question.

In this regard, the Group has adopted a Tax Risk Policy the main objective of which is to provide unambiguous and consistent guidance to the Tax units when implementing the TCF at local level.

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

The task of the TCF is to identify the sources of tax risk for the purpose of compliance and 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.

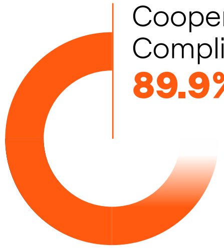
The effectiveness and ongoing updates of the TCF are ensured through periodic monitoring of the risk mapping, regular internal audit processes, as well as through the tax authority systems set out under cooperative compliance schemes (where implemented).

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.

Tax governance, control and risk management

Participation in cooperative compliance schemes

For companies that meet the legal requirements for participation, the Enel Group promotes participation in cooperative compliance regimes where they exist in the various countries in which it operates. In particular, Enel participates in the Collaborative Fulfilment (*Adempimento Collaborativo*) scheme in Italy[12], for larger companies, in the equivalent Code of Good Tax Practices (*Código de Buenas Prácticas Tributarias*) scheme in Spain[13] and is collaborating with the federal tax authority in a pilot project for the creation of a local Cooperative Tax Compliance model (*Projeto CONFIA – Conformidade Cooperativa Fiscal*) in Brazil[14].
In addition to the above-mentioned countries, various activities are under way for potential accession to additional cooperative compliance regimes (e.g. France, Portugal, South Africa, Russia, etc.).
In order to monitor the progress of this activity, an index (the Cooperative Compliance Index - CCI) was developed to measure the participation of Enel Group companies in cooperative compliance regimes in various countries based on their size and membership requirements[15].



Cooperative Compliance **Index**:
89.9%

(12) https://www.agenziaentrate.gov.it/portale/web/guest/schede/agevolazioni/regime-di-adempimento-collaborativo/elenco-societa-ammesse-al-regime.
(13) https://sede.agenciatributaria.gob.es/Sede/colaborar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas/codigo-buenas-practicas-tributarias/adhesiones-codigo-buenas-practicas-tributarias.html.
(14) https://www.gov.br/receitafederal/pt-br/acesso-a-informacao/acoes-e-programas/confia.
(15) The index compares the revenues of companies that have joined the existing cooperative compliance regimes to those of all Enel companies legally eligible to join. The index does not consider countries in which the schemes have not been legally established, or companies that do not meet qualifications to join (i.e. because their size is below statutory thresholds), even though the schemes exist in their countries. Nevertheless, the Group's overall coverage was more than 70% in terms of cooperative compliance companies' revenues compared to the Group's total revenues.

Tax governance, control and risk management

Mechanism for stakeholder reports

For the Enel Group, tax compliance is considered a key aspect of the Company's ethical and accountable management. As such, breaches 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" which Enel operates, tying in fully with the tax strategy. Provisions for violations of the Code of Ethics are appropriate to ensure the effectiveness of the requirements contained therein and should be understood to extend to the provisions of the tax strategy.

Transparent relations with stakeholders

The constant commitment of the Enel Group to transparency with respect to the tax authorities and all stakeholders concretely underlines the importance it attributes to the tax variable and its role in the sustainable development of the Company.
Therefore, the Group is committed to providing a transparent explanation of the tax issues that can be of interest to third parties, also on its website, making the latter an information hub that is easily accessible and understandable to all.
Furthermore, the 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, the Enel Group promotes engagement in co-operative compliance regimes 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", divided into Master File, Local File and Country-by-Country Report. Moreover, to avoid double taxation, the Group promotes Mutual Agreement Procedures (MAP) for the settlement of international disputes, which include 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 open up a public debate on taxation by providing a balanced and comprehensive perspective of the taxes paid by companies. In view of this objective, tax information is provided to the various stakeholders. The Forum has published three studies relating to the EU/EFTA Total Tax Contribution for the years 2018, 2019 and 2020, which are available on the association's website (https://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, and, since 2019, a dedicated section for Country-by-Country Reporting.

Furthermore, in 2021 Enel adhered to the **B Team Responsible Tax Principles**, that is, the principles developed by the B Team[16] for promoting responsible and sustainable tax practices for a better future.
In particular, the B Team Responsible Tax Principles were developed by the international B Team organization, created by a group of multinationals with the contribution of civil society, investors and representatives of international institutions for promoting responsible and sustainable tax practices.

(16) https://bteam.org/.

3. Context, self-assessment and methodology

Context

The pressure on the tax revenues of States and the growing interest in the impacts that companies generate on the economic conditions of stakeholders, and in general on the economic systems of the countries in which they operate, have focused attention on sustainability and transparency in taxation.

The acknowledged role of the fiscal variable, in particular fiscal transparency, within ESG (Environmental, Social and Corporate Governance) is becoming increasingly important in view of a transition towards a more just and sustainable future.

In this context, there have been a number of initiatives over the past few years aimed at fostering and developing a fiscal transparency framework with increasingly higher levels of disclosure and increasing integration with sustainability reporting.

In 2019, the Global Sustainability Standards Board (**GSSB**), an independent international body whose aim is to promote sustainability through the definition of Global Reporting Initiatives (**GRI Standards**[17] [18]), published **GRI 207: Tax**, which specifically addresses taxes as part of the sustainability strategy.

The standard requires a description of the approach of companies to tax governance and strategy and the publication of financial, economic and tax information for each jurisdiction in which an organization operates (**Country-by-Country Reporting**). It recommends the publication of information regarding the actual tax contribution (**Total Tax Contribution**) for each jurisdiction in which a company operates.

In March 2020, in "Linking the SDGs and the GRI Standards"[19] the GSSB identified Goals 1 "**No Poverty**", 10 "**Reduced Inequalities**" and 17 "**Partnerships for the Goals**" of the UN 2030 Agenda[20] as Sustainable Development Goals (**SDGs**) **linked to GRI 207**.

In September 2020, during the fourth edition of the Sustainable Development Impact Summit, the International Business Council (**IBC**) of the World Economic Forum (**WEF**), on announcing a series of measures in relation to environmental, social and governance commitments, published the paper "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation"[21]. This document aims to **improve and standardize** the way companies measure and represent their **contribution to ESG** by identifying a set of qualitative and quantitative metrics based on four pillars: 1. Principle of Governance; 2. Planet; 3. People; and 4. Prosperity.

(17) **GRI Standards** are globally accepted standards for sustainability reporting, designed to be used by organizations to disclose their impacts on the economy, the environment and society. GRI Standards are in continuity with other international standards, such as the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Conventions and the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.
(18) https://www.globalreporting.org/how-to-use-the-gri-standards/.
(19) https://www.globalreporting.org/media/lbvnxb15/mapping-sdgs-gri-update-march.pdf.
(20) The 2030 Agenda for Sustainable Development is an action program for people, planet and prosperity signed in September 2015 by the governments of the 193 UN Member States. The policy document includes 17 goals to be achieved by 2030, which, broken down into 169 targets, represent a compass to set countries around the world on the path to sustainability.
(21) http://www3.weforum.org/docs/WEF_IBC_Measuring_Stakeholder_Capitalism_Report_2020.pdf.

Context

Within the "**Prosperity**" pillar, one of the main metrics is represented by taxes, understood both as taxes paid representing a cost (Taxes borne - core metric) and as Taxes collected (expanded metric).

In November 2021, the **European Parliament** approved the **Public CbCR** Directive, which provides for the Country-by-Country Reporting of financial, economic and fiscal information for certain large companies operating in the European Union. The disclosure requirements will apply, at the latest, to the financial year beginning on or after June 22, 2024 (i.e. for entities with a financial year coinciding with the calendar year, the first disclosure will cover, at the latest, 2025[(22)]).

Finally, the recent activities of the **OECD** in the context of the work of the BEPS project on the tax challenges arising from the digitalization of the economy, which published the **Model Rules** for the implementation of the **Global Minimum Tax** in December 2021, should also be highlighted in this context. These rules outline a historic reform of the international tax system, which will ensure that multinational companies will be subject to a minimum tax rate of 15% from 2023[(23)]. The objective of this reform is to ensure that multinational companies pay a fair level of Income Tax regardless of where they operate.

Also in December 2021, the **European Commission** published a **proposal for a Directive on the Global Minimum Tax**, which is currently under consideration by the Member States.

In the wake of the numerous actions taken at international level with regard to the role of taxes and tax transparency in the perspective of a more equitable and more sustainable future, Enel continues to publish this Report (hereinafter also "**Tax Transparency Report**" or "**Report**"), enriching it year after year with an ever-increasing amount of information.

This Report describes the Group's approach to tax governance and strategy and reports financial, economic and tax information for each jurisdiction in which the Group operates (**Country-by-Country Reporting**), supplementing it with details on the **Total Tax Contribution** (**TTC**[(24)]).

(22) The Directive came into force on December 21, 2021, and EU Member States will have until June 22, 2023 to transpose it into their national legislation. The disclosure requirements concern multinational companies with total revenues exceeding 750 million euros and will apply, at the latest, to the first financial year beginning on or after June 22, 2024. Therefore, it is possible that the EU Member States will transpose the Directive in a shorter time frame and that it will thus become effective sooner.

(23) A key part of the OECD/G20 BEPS project is to address the tax challenges arising from the digitalization of the economy. In October 2021, more than 135 jurisdictions reached a ground-breaking agreement to redefine key elements of the international tax system. The agreement has two pillars: Pillar 1 establishes a reallocation of taxing powers between the different jurisdictions; Pillar 2 defines a minimum level of taxation for each jurisdiction in which Multinational Enterprises (MNEs) operate. The Global Anti-Base Erosion (GloBE) rules are a key component of Pillar 2 and introduce a coordinated system of taxation that imposes a top-up tax on profits whenever the jurisdictionally determined effective tax rate is below the minimum rate of 15%.

(24) 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 **22 main countries** where Enel operates are analyzed (i.e. Italy, Spain, Brazil, Chile, Colombia, Argentina, Guatemala, Peru, Costa Rica, Panama, Romania, Russia, Mexico, the Netherlands, the USA, Canada, Greece, South Africa, India, Portugal, France and Germany), which **represent more than 99% of the Group's revenues and practically 100% of Income Taxes paid**. For all the other countries, the Income Taxes have nonetheless been indicated in detail.

Context

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 and 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 our tax position.
The data in the Report relate to the period 2021. These, together with analyses of contribution profiles and specific indicators, were compared with the same data from previous periods[25].

(25) It should be noted that refinements and changes of a methodological nature have been introduced for the purpose of preparing this Report. Therefore, the 2020 figures presented in this Report may not coincide with what is represented in the Enel Group's "Tax Transparency Report 2020".

Context

The way in which tax information is presented in this Report is intended to make it more versatile and easier to read, so that the various parameters required by stakeholders can be met.

Finally, this model is aligned with the **Global Reporting Initiative** (**GRI**) **Standard 207**[(26)] and also contains the metrics on Income Taxes paid provided by the **World Economic Forum** (**WEF**) in the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation". Moreover, the Group, inspired by its lifelong commitment to promoting responsible and sustainable tax practices, formally adhered in 2021 to the **Responsible Tax Principles** developed by the global group of **B Team**.

With reference to the above-mentioned three best practices (GRI, WEF and B Team), it was decided to carry out a self-assessment, as listed in the Appendix, in order to assess the degree of the Group's compliance with them. The analysis shows **Enel's complete alignment with these international standards**.

(26) Enel has adopted this Standard since it was first issued in full (including the recommendations section), incorporating some additional information not required by the regulation. For the various tax jurisdictions in which the Group is present, data on share capital and retained earnings as required by the OECD CbCR have also been published, as well as additional information on taxes withheld by companies as a result of tax recovery and substitution mechanisms, as required by the Total Tax Contribution methodology (e.g. Tax collected on real estate and environmental taxes).

Methodology

The Tax Transparency Report is built on Country-by-Country Reporting and the Total Tax Contribution Framework (TTC Framework).
Financial, economic and tax information for each jurisdiction in which the Group operates is reported on the basis of the **OECD Country-by-Country Reporting**(27), while information on the overall tax contribution is reported on the basis of the **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.
The Tax Transparency Report adopts the **cash basis accounting criterion** as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution. More specifically, the total tax figure is determined through the sum of the various taxes paid(28) in the reporting year, regardless of the fiscal year to which the taxes relate.

Consistent with the approach adopted by the OECD(29), different taxes are categorized into categories and distinguished between taxes that constitute a cost 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. In other words, Taxes borne are paid in connection with the value **directly** generated by the enterprise. Taxes collected in connection with the value created **indirectly** as a result of its economic activity are collected by taking them from the stakeholders who participated in the generation of value and then paying them to the State.
Specifically, taxes, both borne and collected, are classified into the following five macro-categories.

- **Profit – Income Taxes;**
- **People – Taxes on Labor;**
- **Products – Taxes on Products and Services;**
- **Property – Property Taxes;**
- **Planet – Environmental Taxes.**

(27) Beginning 2018, the Enel Group presented the Country-By-Country Reports for the years 2016, 2017, 2018, 2019 and 2020. This was by way of transmission thereof to the *Agenzia delle Entrate* (Italian Internal Revenue Service), 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 in order to reply in a coordinated and shared manner to the strategies of aggressive tax planning put in place by MNEs with a view to "artificially shifting" profits in jurisdictions characterized as tax havens.
(28) The data for taxes paid includes payments on advance, taxes for previous years, including after assessments, net of repayments and rebates obtained. Interest and penalties are not considered.
(29) Working Paper no. 32, "Legal tax liability remittance responsibility and tax incidence".

Methodology

This Report includes an analysis of the Enel Group's Total Tax Contribution (Chapters 4 and 5) and specific sections devoted to the main countries in which the Group operates (Chapter 6). With reference to the latter, it should be noted that for each country, the following are provided:

- an overview of key financial, economic and tax information;
- a breakdown of Taxes borne and Taxes collected into the five macro-categories mentioned above;
- an analysis of the trend of the Total Tax Rate by comparing it with the average values for the period 2017-2020 or, in the absence of such data for the entire period 2017-2020, with the average values of the previous periods for which such data are available;
- an analysis of the Cash Tax Rate and Current Tax Rate, by comparison with the Nominal Tax Rate and the average values for the period 2018-2020 of the same indicators.

More information and details about the assumptions in this Report, the TTC Methodology, and the indicators in the Report can be found in section 9. Appendix.

4. Executive Summary

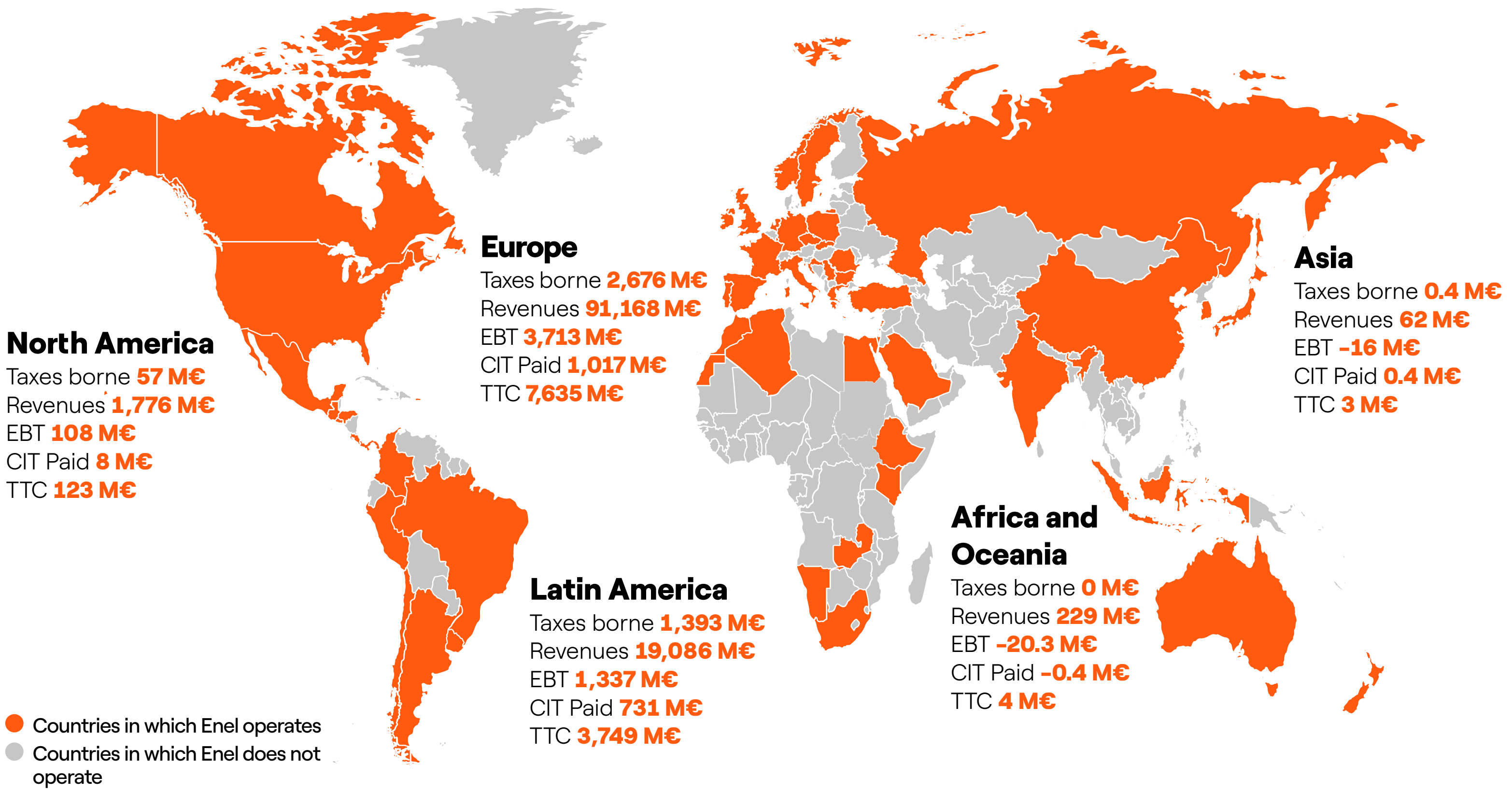
Enel Group – Key figures 2021

The main indicators and trends of the Total Tax Contribution

Enel Group – Key figures 2021

Companies	1,202
Revenues[30]	112,322 M€
Tangible Assets	88,382 M€
Earnings Before Taxes (EBT)	5,121 M€
Income Tax (CIT) Accrued	2,221 M€
Income Tax (CIT) Paid	1,756 M€
Taxes borne	4,126 M€
Taxes collected	7,387 M€
Employees	66,279
Retained Earnings[31]	73,699 M€
Stated Capital	124,605 M€

Countries in which the Enel Group operates

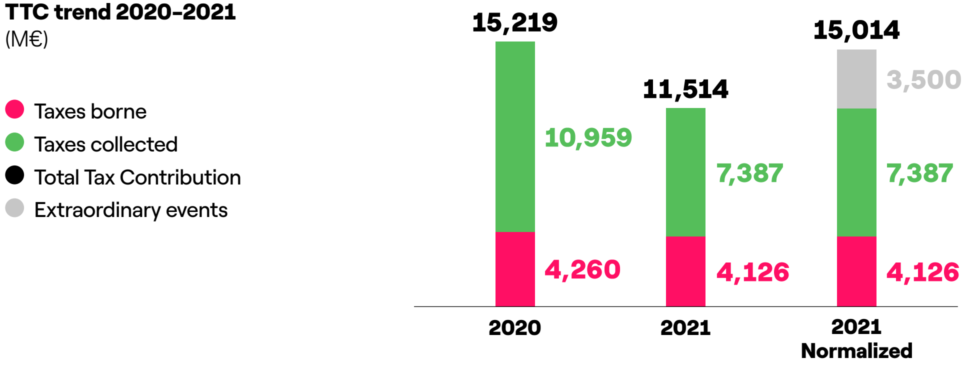


Enel's **Total Tax Contribution (TTC)**[32] in 2021 was **11,514 million euros** and represents all the different types of taxes (approximately 300) paid by Enel worldwide. **Taxes borne** were **4,126 million euros** (36% of the Total Tax Contribution).

(30) The amount shown is on an aggregate, non-consolidated basis. For a reconciliation of the same, see Section "Reconciliation with the Consolidated Financial Report 2021". The amount of Revenues is the sum of Third Party Revenues and cross-border Intercompany Revenues of entities within the scope in the reporting year.
(31) Retained Earnings also include the effects of Purchase Price Allocation processes amounting to 6,778 million euros carried out in previous years in application of IFRS 3 in Spain and 15,545 million euros generated by recapitalization transactions of Dutch and Spanish companies.
(32) For the purposes of the TTC (Taxes borne, Taxes collected) the data of the 22 main countries in which Enel operates are considered, representing more than 99% of the Group's revenues and 100% of the Income Tax paid.

The main indicators and trends of the Total Tax Contribution

TTC trend 2020-2021
(M€)



Enel's total contribution in relation to other external economic indicators[33] is as follows:

0.6% of Italy's GDP and 1.0% of Spain's GDP in 2021

4.9% of Italy's tax and social security revenues and **7.7%** of **Spain's** in 2020

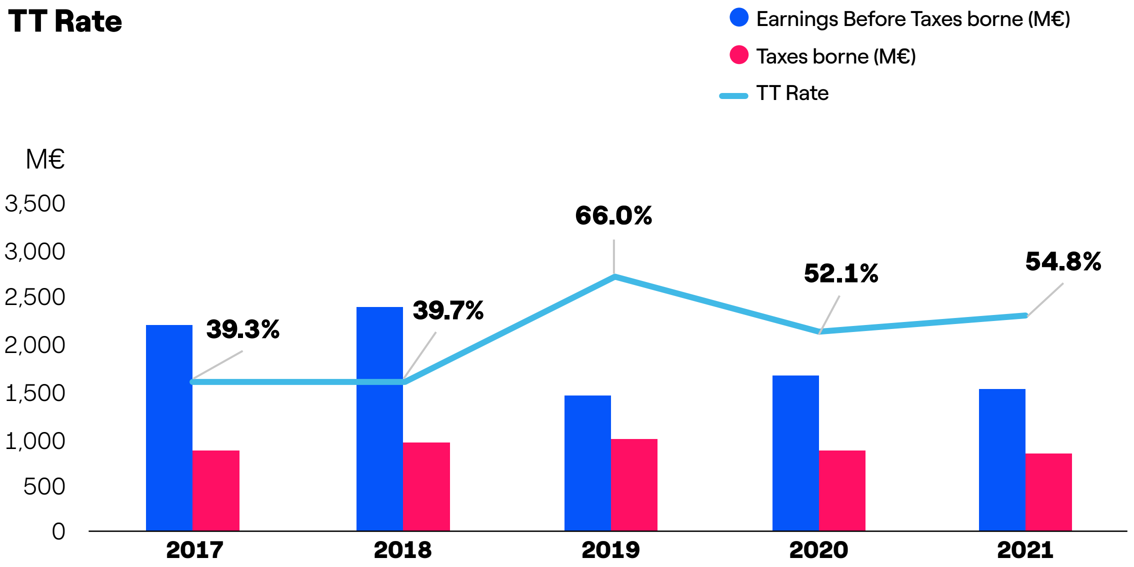
8.8% of **Italy's** current **health spending** and **13.5%** of **Spain's** health spending in 2020

Several extraordinary events in 2021 influenced the tax contribution. Specifically: 1) **in Italy, joining the "VAT Group"[34] resulted in the exit from the special "split payment" scheme[35]**, which provided for the payment by Enel directly to the Treasury on behalf of suppliers of the VAT owed by them. With the return to the ordinary scheme, the VAT generated by the Italian companies' business activities is now paid by Enel to its suppliers, as payment for their invoices, and by the latter to the Treasury. **This "substitution effect", with the same revenue for the Treasury, led to a decrease in tax collected of approximately 3,167 million euros**; 2) in Spain, following a ruling by the "Tribunal Supremo" on the non-retroactivity of an environmental tax called the "Canon Hidráulico" (water charge), extraordinary refunds were received in 2021 relating to payments made in previous years; 3) in Brazil, following a decision by the "Supremo Tribunal Federal" that changed the way in which social taxes PIS and COFINS[36] are determined, the related payments decreased. In total, these extraordinary effects resulted in lower payments of about 3,500 million euros (about 3,167 million euros in Taxes collected and about 333 million euros in Taxes borne).

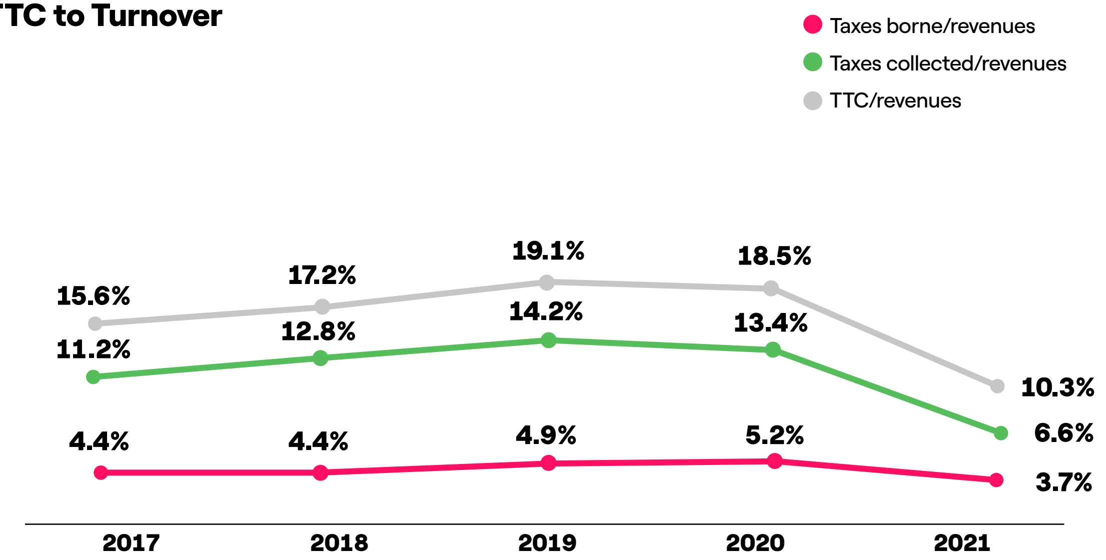
Net of the extraordinary events described above, the total contribution would have been basically in line with the previous year.

(33) Source: https://stats.oecd.org/. Data on "Gross Domestic Product (GDP)", "Total Tax Revenue" and "Health Expenditure and Financing".
(34) https://www.agenziaentrate.gov.it/portale/web/guest/schede/istanze/costituzione-gruppo-iva/scheda-informativa-costituzione-gruppoiva.
With this scheme, a single and autonomous taxable entity is established with a single VAT Number valid for all member companies, replacing their individual VAT Numbers.
(35) The split payment is a special regime, which in Italy, for some parties, establishes that the party liable for VAT is the transferee/client instead of, as is normally the case, the transferor/provider. As a result, for transactions subject to a split payment, the purchaser does not pay VAT to its supplier in consideration of the fact that it is "paid" directly to the tax authorities.
(36) PIS "Programa de Integração Social" and COFINS "Contribuição para Financiamento de Seguridade Social".

TT Rate



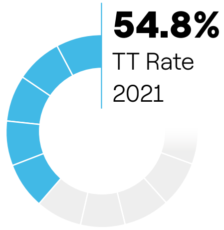
TTC to Turnover

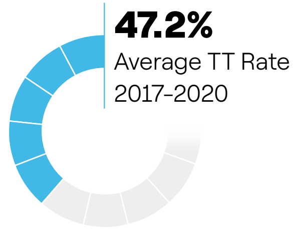


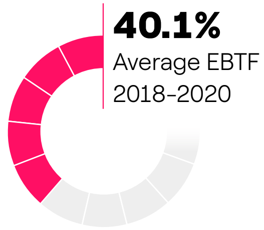
The **Total Tax Contribution (TT Rate) index** provides a concise and complete measurement of the burden for all taxes that the business has effectively paid and is calculated as a percentage of Taxes borne in relation to Earnings Before Taxes.
The values depicted show a constant contribution over the years only partially influenced by the economic results to which Income Taxes are more strongly correlated. Over the years, the latter weigh on average on the Taxes borne by about 38%.

The TT Rate 2021 stood at a higher-than-average value mainly as a result of the drop in Earnings Before Taxes for the year due to a reduction in operating income.
Finally, Enel's TT Rate was higher than the overall TT Rate for the period 2018-2020 resulting from the EBTF's TTC ratio.

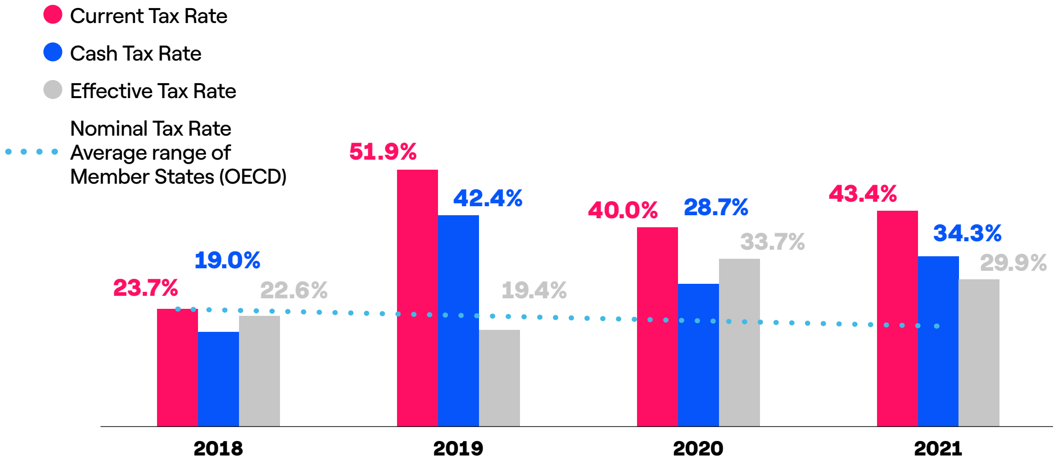
For every 100 euros of revenues generated, 10.3 euros were used to pay taxes, of which 3.7 euros Taxes borne and 6.6 euros Taxes collected.
The index decreased in 2021 due to both the extraordinary reduction in taxes collected in Italy, mentioned above, and the increase in turnover, mainly due to higher volumes and to sales prices of electricity and gas in Italy, Brazil and Spain.



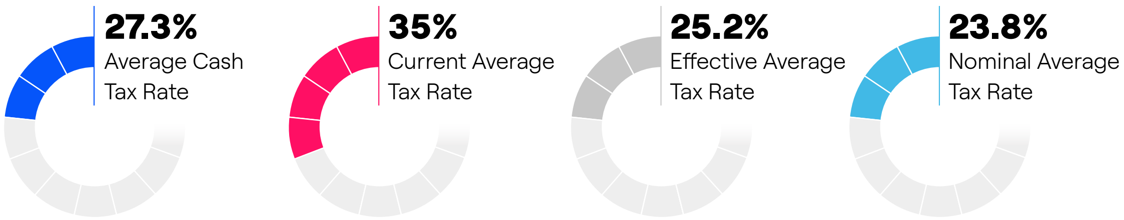




Income Tax Rates



2018-2020



Considering all income Tax Rate metrics (Cash, Current and Effective), Enel lies above the OECD average and above the average values of the same indexes for the period 2018-2020.

Among the various existing indicators on corporate Income Taxes the following are represented.

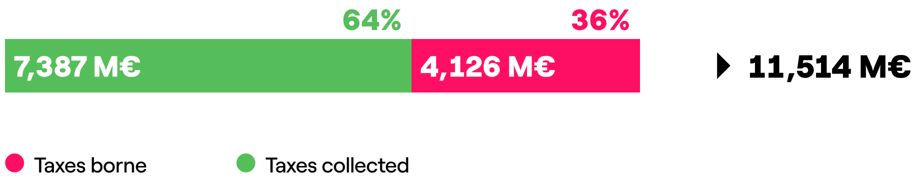
- The **Cash Tax Rate** represents the incidence of the tax expense, expressed in terms of taxes paid, on the result for the year and is determined as the ratio between the corporate Income Taxes paid and the Earnings Before Taxes.
- The **Current Income Tax Rate** represents the percentage incidence of the current tax burden on the result for the year and is determined as the ratio of accrued corporate Income Taxes (Current Taxes) to Earnings Before Taxes.
- The **Effective Tax Rate (ETR)** represents the percentage incidence of the tax burden (accounted for) on the result for the year and is determined as the ratio of total income taxes recognized in the financial statements to Earnings Before Taxes. With respect to the **Current Income Tax Rate**, in addition to Current Taxes, it also considers among taxes (i) any provisions for tax liabilities not yet certain in their amount or existence, (ii) tax adjustments related to previous years, and (iii) deferred tax assets and liabilities. For further details on Enel's ETR, see Section 8 on Comparative Indicators.
- The **Nominal Tax Rate** (also "**Nominal Rate**") is the rate set down in the relevant tax legislation for the purpose of taxing corporate income. In this specific case, the **average rate of the OECD Member States** has been given[37].

(37) This value is calculated as the average of the nominal corporate Income Tax rates in effect in various years 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.

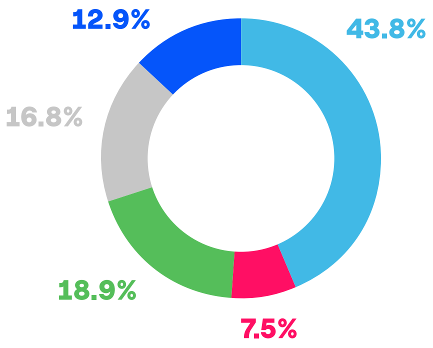
5. The Enel Group's Total Tax Contribution (TTC)

Total Tax Contribution

The **Total Tax Contribution** (also referred to as **TTC**) of Enel[38] in 2021 amounted to **11,514 million euros**: **36%** of the Total Tax Contribution relates to payments that represent a cost for Enel (**Taxes borne**) and the remaining **64%** relates to payments made as a result of rebate mechanisms, substitution, etc. (**Taxes collected**).

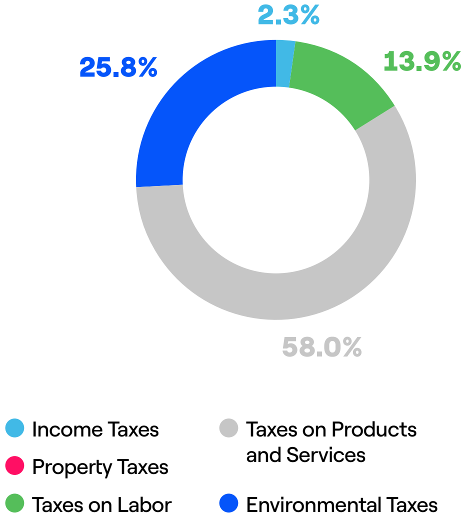


Taxes borne



The **Taxes borne** paid by Enel in 2021 amounted to **4,126 million euros**. The main component relates to **Income Taxes**, which represent **44%** of the total Taxes borne. **Taxes on Labor** and **Taxes on Products and Services** accounted for **19%** and **17%** of the total Taxes borne, respectively.

Taxes collected

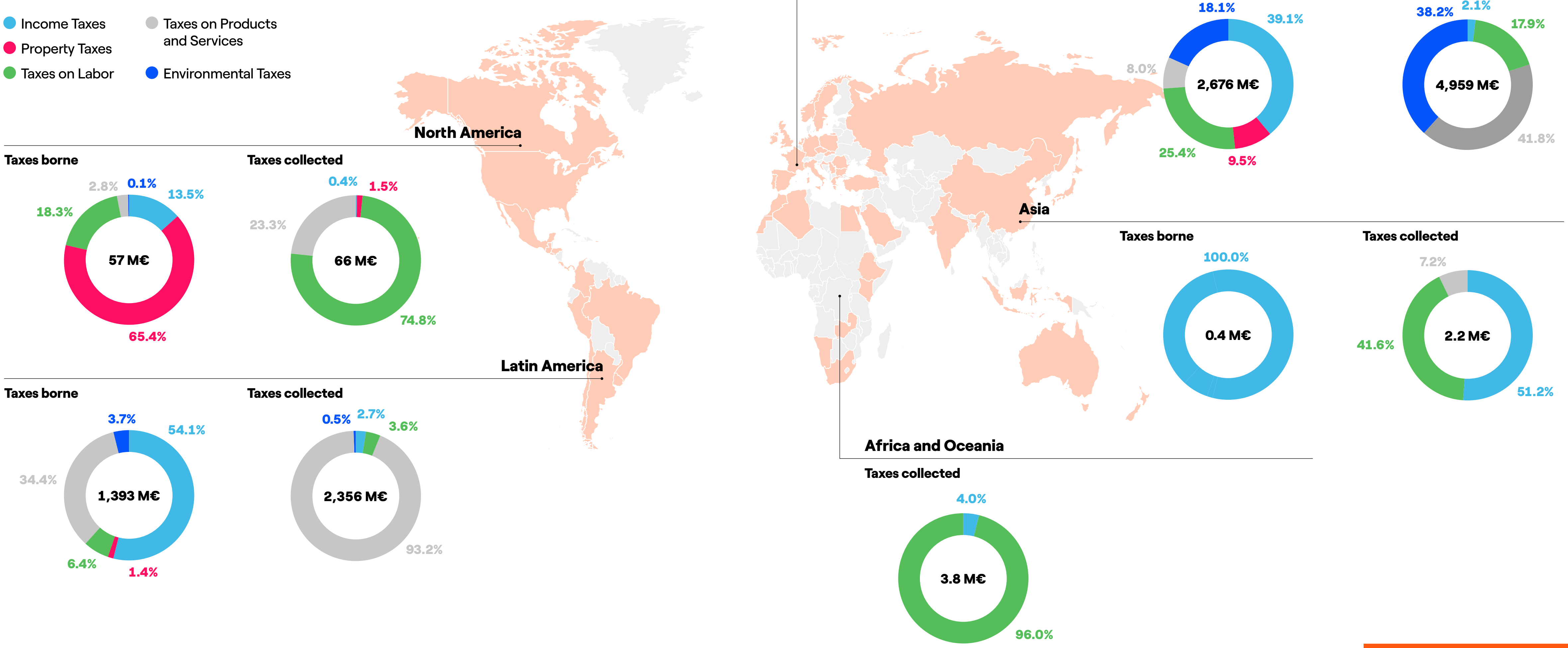


The **Taxes collected** paid by Enel in 2021 amounted to **7,387 million euros**. Taxes on Products and Services (mainly related to VAT) represented **58%** of Taxes collected. The high incidence of such taxes compared to other categories is due to the specific nature of the activity and the high turnover generated by Enel, especially in Italy, Spain and Brazil.

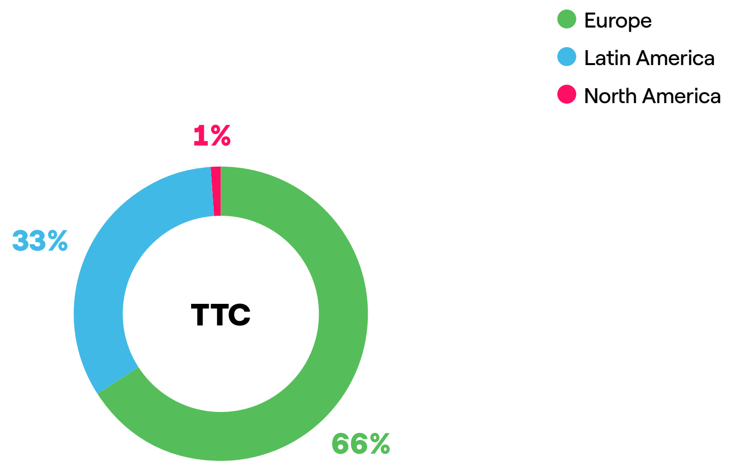
(38) The Total Tax Contribution considers the data of the 22 main countries in which Enel operates, which represent more than 99% of the Group's revenues and practically 100% of Income Tax paid.

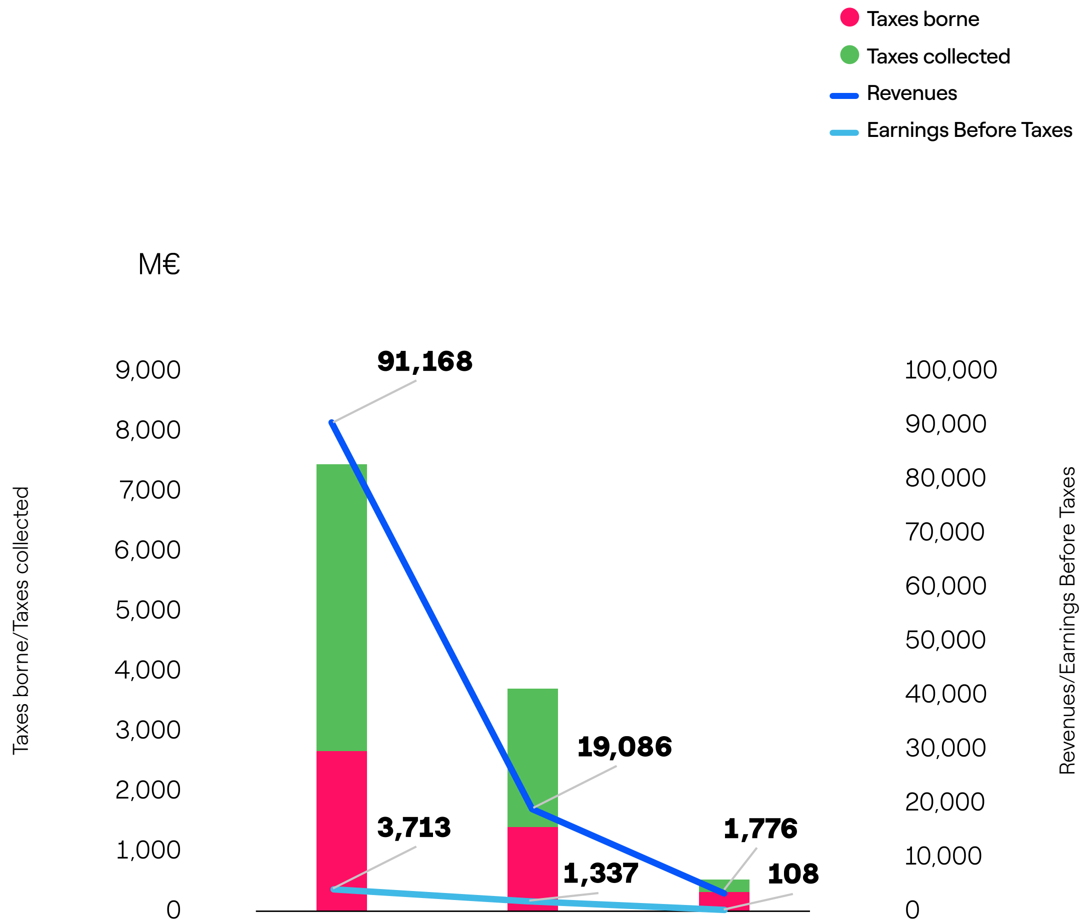
Total Tax Contribution by geographical area

Enel pays taxes in the countries where it carries out activities and creates value for the business.



Enel's Total Tax Contribution by geographical area was **99%** concentrated in **Europe and Latin America**, in line with the distribution of the **revenues and Earnings Before Taxes generated**.



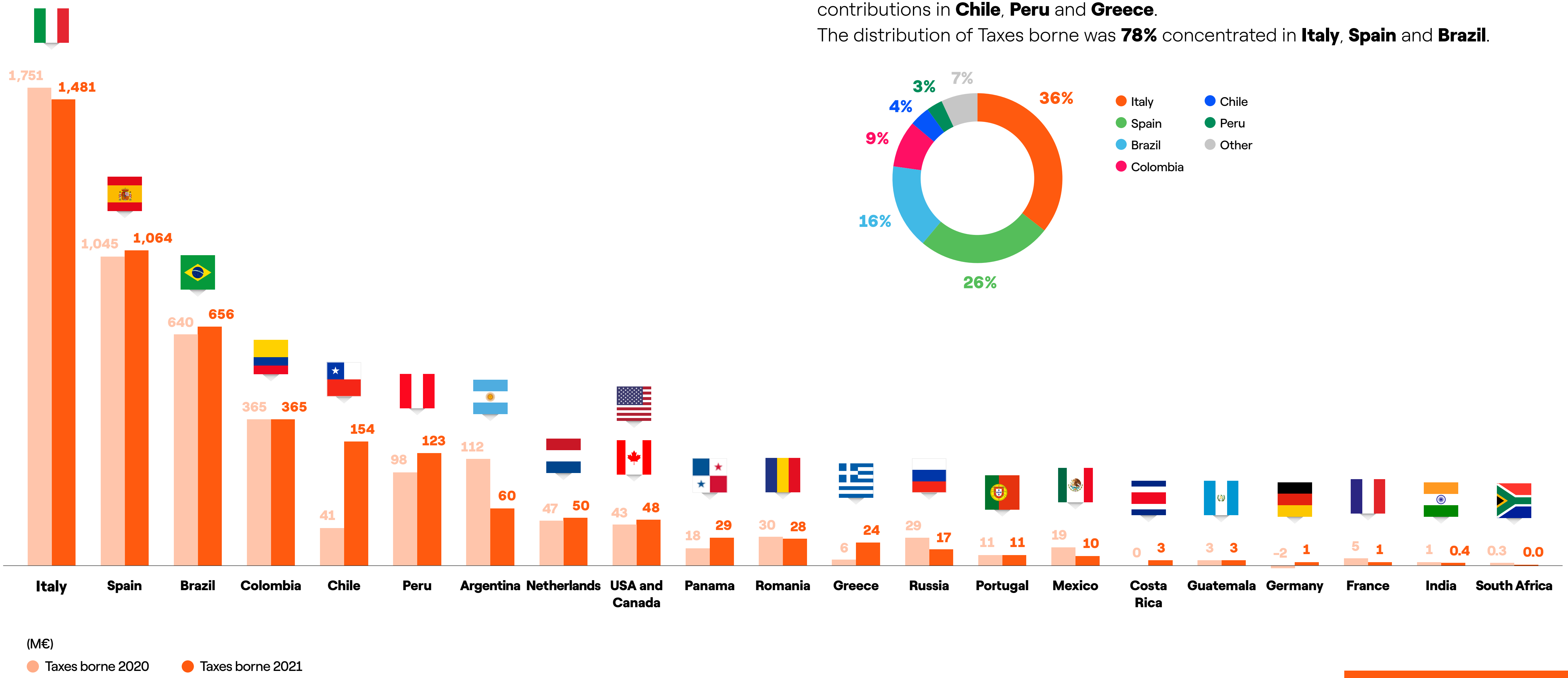


In **North America** the amount of net taxes paid (in particular CIT) was influenced by the method of incentivizing the **renewable energy** business through tax credits[39].

(39) For further details, see the "Tax incentives" and country data sheet for the USA and Canada.

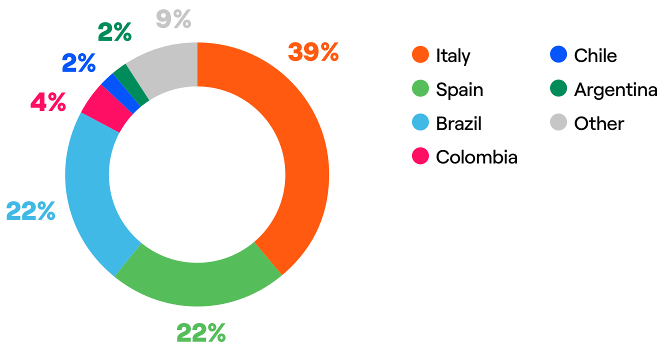
Taxes borne by country

In 2021, Taxes borne in the main countries decreased compared to 2020. The most significant reduction was in **Italy**. In contrast, there was a slight increase in tax contributions in **Chile**, **Peru** and **Greece**.
The distribution of Taxes borne was **78%** concentrated in **Italy**, **Spain** and **Brazil**.

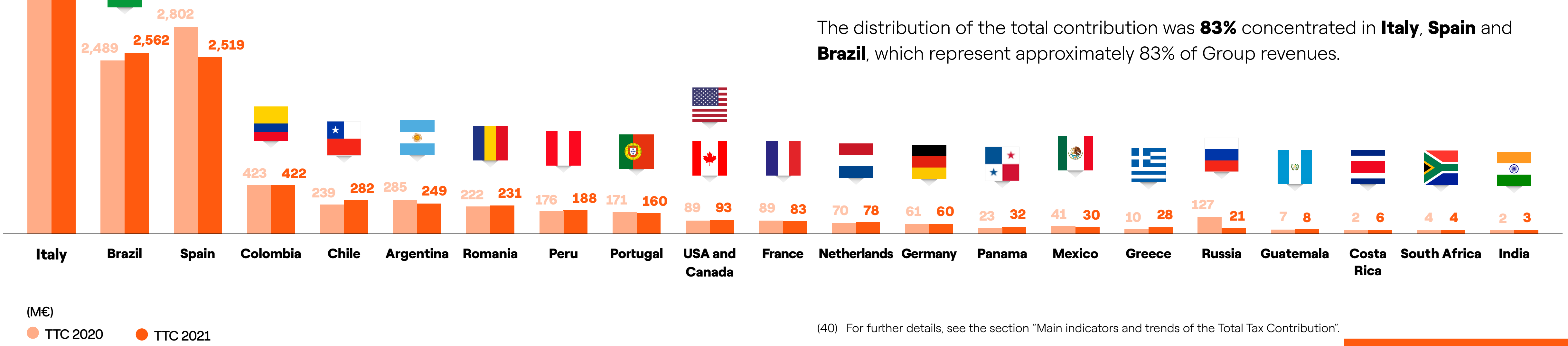


Total Tax Contribution by country

In 2021, the Total Tax Contribution in the main countries was down compared to 2020, mainly due to **extraordinary refunds of environmental taxes paid in previous years in Spain** and the **reduction of taxes paid on products and services in Italy**(40). In contrast, there was a slight increase in tax contributions in **Brazil**, **Chile** and **Romania**.



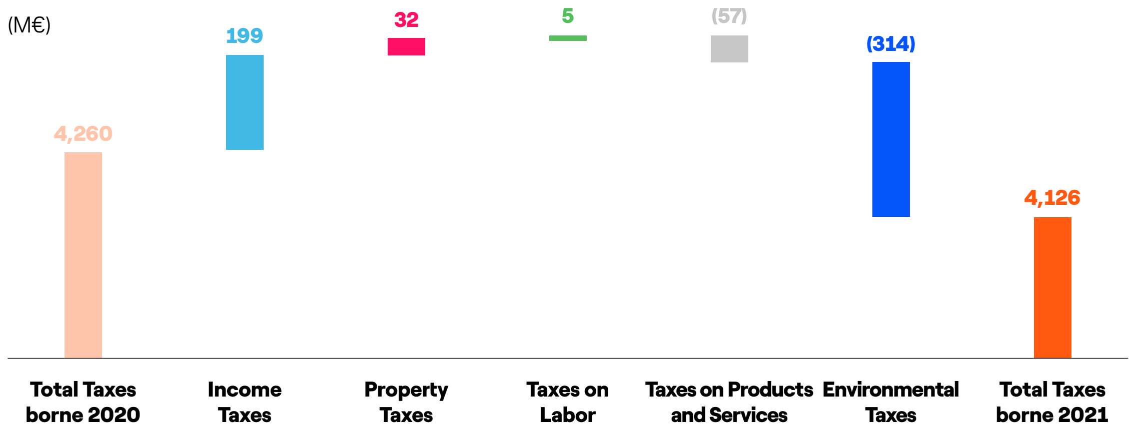
The distribution of the total contribution was **83%** concentrated in **Italy**, **Spain** and **Brazil**, which represent approximately 83% of Group revenues.



(40) For further details, see the section "Main indicators and trends of the Total Tax Contribution".

Trend of Taxes borne 2020-2021

In 2021, total Taxes borne decreased by 3.1% due to extraordinary refunds of environmental taxes. This decrease was only partially offset by the increase in Income Taxes.



In 2021, **Total Taxes borne** amounted to **4,126 million euros**, down by a total of **134 million euros (-3.1%)** compared to 2020.

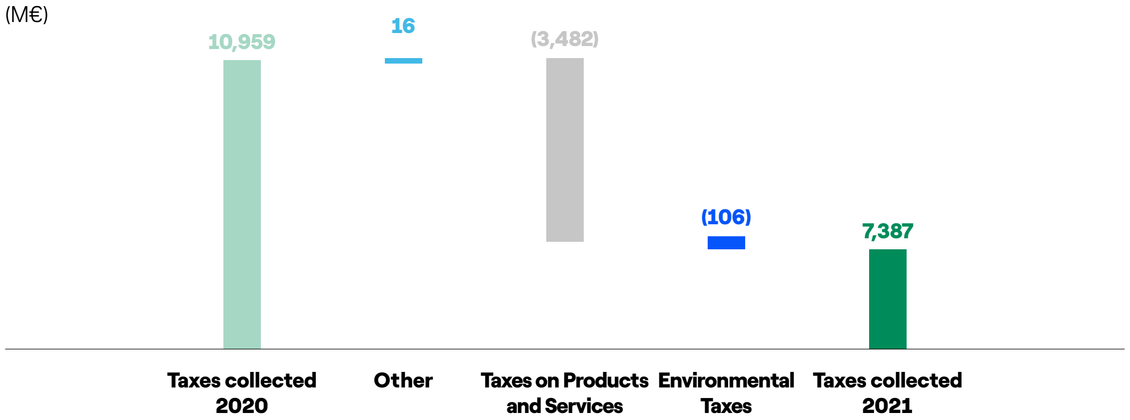
The decrease was mainly due to the **reduction** in Environmental Taxes and Taxes on Products and Services. In contrast, there was an increase in Income Tax. Specifically:

- the most relevant **reductions in Environmental Taxes** were recorded in **Spain** (**278 million euros**), **Italy** (**28 million euros**) and **Chile** (**7 million euros**) mainly due to the effect of (i) refunds received(41) and payment deferral measures for taxes on electricity in Spain and (ii) the decrease in the consumption of coal following the program of progressive decarbonization adopted by the Group;
- the **reduction in Taxes on Products and Services** amounted overall to **57 million euros**, principally as an effect of lower payments in Brazil (**42 million euros**) mainly due to the reduction in the Taxable Income of PIS ("Programa de Integração Social") and COFINS ("Contribuição para Financiamento de Seguridade Social") following a decision of the Supremo Tribunal Federal of Brazil (STF)(42) and Colombia (**16 million euros**) as greater payments on advance were made in 2020;
- in contrast, the most significant **increases in Income Taxes** were observed in Spain (**302 million euros**) and Chile (**117 million euros**) due to (i) lower refunds received in 2021 compared to the previous year, and (ii) an increase in Taxable Income in Chile in 2020, for which taxes were paid in 2021. Partially offsetting this were reductions in Income Tax in Italy (**271 million euros**) as a result of the payment on advance and on balance mechanism(43).

(41) The refund refers to the "Canon Hidráulico" (water charge) paid during 2013-2020. Following a judgment of the Spanish Tribunal Supremo, the fee was repaid, as it was declared as non-applicable.
(42) In 2021, the Supremo Tribunal Federal of Brazil, with regard to a specific dispute the initial ruling for which dates back to 2017, ruled regarding the calculation of the PIS ("Programa de Integração Social") and COFINS ("Contribuição para Financiamento de Seguridade Social") taxes, confirming the argument according to which the ICMS ("Imposto sobre circulação de mercadorias e serviços", a tax similar to VAT) should not be included (unlawfulness) in the PIS and COFINS calculation tax base. This decision resulted in the changes to the mechanisms used for determining and paying the taxes.
(43) In the vast majority of countries where Enel is present, Income Taxes are paid for the reporting year based on the historical values of the previous year (so-called "Historical Method"). Therefore, the financial effects of the overall value of Income Taxes for the reporting year are fully recognized only the following year. In the specific case, the payments on advance (calculated using the historical method) and the on balance payments made in 2021 decreased due to the effect of the reduction in Taxable Income between 2019 and 2020. For further details, see the Section "Principles of tax accounting in a nutshell".

Trend of Taxes collected 2020-2021

In 2021, Taxes collected decreased by 32.6%. This reduction essentially depends on lower Taxes on Products and Services and lower Environmental Taxes.



Total taxes collected[44] amounted to **7,387 million euros**, down **3,572 million euros** (-32.6%) compared to 2020.

This reduction essentially depends on lower Taxes on Products and Services and lower Environmental Taxes. Specifically:

- the most relevant reduction related to **Taxes on Products and Services** was recorded in **Italy** (3,166 million euros) following the change made to the method of paying VAT on purchases for the creation of the so-called "VAT Group" in 2021[45]. This change did not generate a real financial impact for the State coffers, being merely a "substitution" of the parties liable for the final payment of the tax. Indeed, the actual contribution in terms of VAT paid, again generated by Enel's business activity, remained unchanged. In addition, as a result of the first year of adoption of the "VAT Group", fewer VAT payments on advance were made in 2021 compared to 2020;
- this reduction in **Taxes on Products and Services** was recorded also in **Spain** (**229 million euros**) due to the effect of the reduction in the VAT rate and the ancillary expenses applied to electricity sales and in **Italy** (**80 million euros**) and **Russia** (**93 million euros**) due to a general reduction in turnover;
- in contrast, an increase in **Taxes on Products and Services** was recorded in **Brazil** (63 million euros) mainly due to the effect of an increase in revenues.

(44) The category "Other" includes the following categories and their yearly changes: Income Taxes (up 6.7 million euros), Property Taxes (up 0.5 million euros) and Taxes on Labor (up 8.6 million euros).
(45) For more details, see the section "Main indicators and trends of the Total Tax Contribution".

6. Total Tax Contribution (TTC) in the main countries

Italy
Brazil
Spain
Colombia
Chile
Argentina
Romania
Peru
Portugal
USA and Canada
France

Netherlands
Germany
Panama
Mexico
Greece
Russia
Guatemala
Costa Rica
South Africa
India

Key figures in Italy

Companies	69
Revenues	53,007 M€
Tangible Assets	28,782 M€
Earnings Before Taxes (EBT)	2,534 M€
Income Tax (CIT) Accrued	1,107 M€
Income Tax (CIT) Paid	763 M€
Employees	30,256
Average Wage per Employee	54,802 €
Average Tax Burden per Employee	37,664 €
Retained Earnings	22,783 M€
Stated Capital	43,051 M€

46% **TT Rate 2021**

Earnings Before Taxes borne **3,252 M€**

Taxes borne **1,481 M€**

In 2021, the TT Rate in Italy was **46%**. Earnings Before Taxes borne was **3,252 million euros** and the sum of Taxes borne **1,481 million euros**.

8.4% **TTC to Turnover 2021**

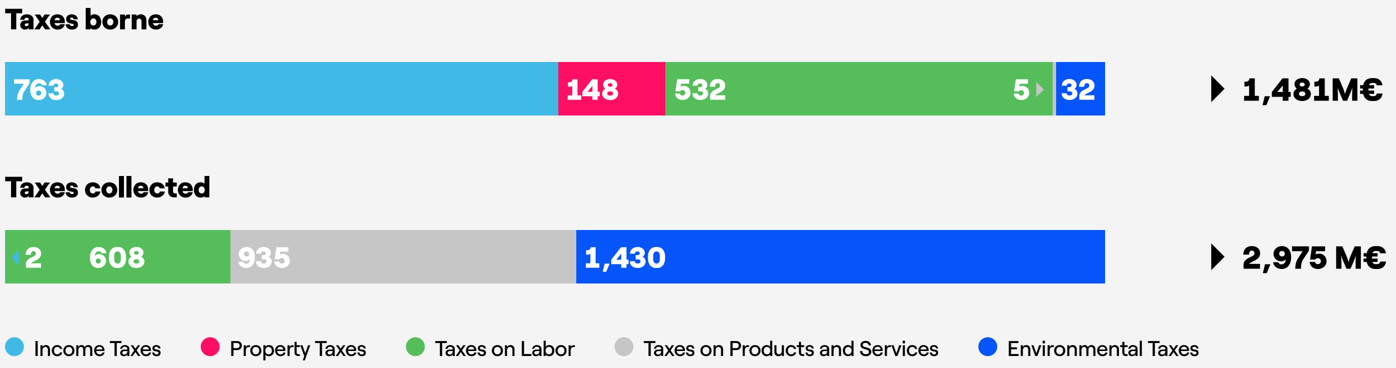
Revenues **53,007 M€**

Taxes borne **1,481 M€**
Taxes collected **2,975 M€**

For every 100 euros of revenues generated in 2021, **8.4 euros** were used to pay taxes, of which **2.8 Taxes borne** and **5.6 Taxes collected**.

Italy contributed to a total of **39%** of the Group's TTC, amounting to **4,455 million euros**. 33% of the Total Tax Contribution was represented by Taxes borne, while the remaining 67% by Taxes collected.

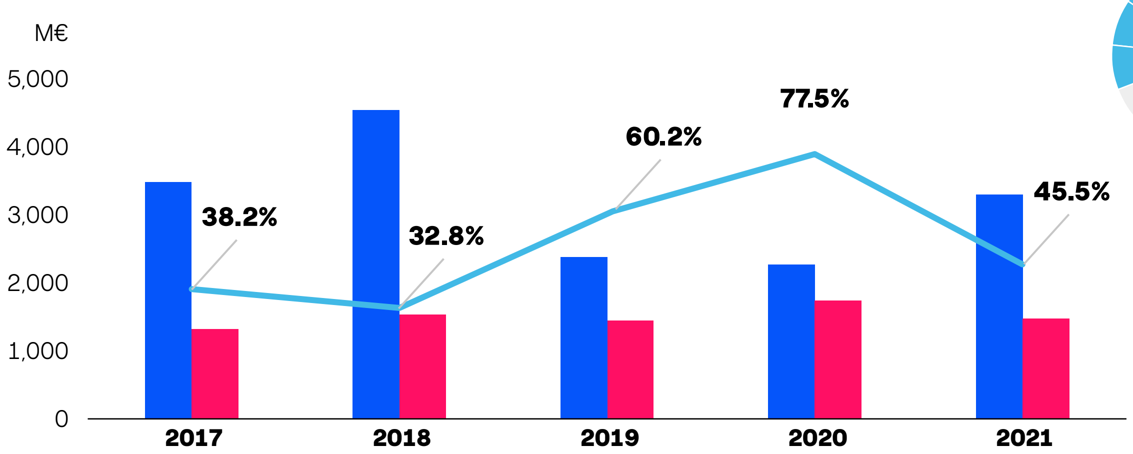
TTC: 4,455 M€(46)



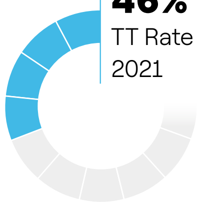
(46) In 2021, other payments to the government authorities (not included in the TTC) were made amounting to 1,206 million euros related to the national TV licence fee (RAI).

Indicators and trends of Total Tax Contribution in Italy

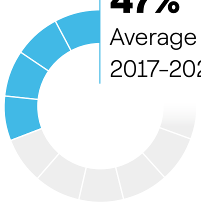
TT Rate trend



Earnings Before Taxes borne
Taxes borne
TT Rate

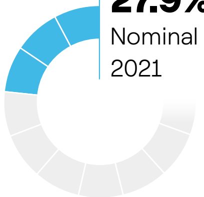


46%
TT Rate 2021

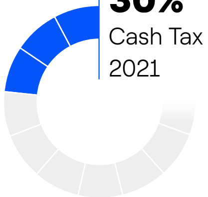


47%
Average TT Rate 2017-2020

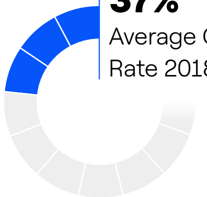
Corporate Tax Rate



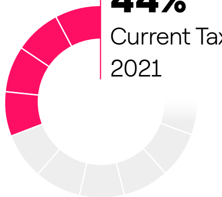
27.9%
Nominal Tax Rate 2021



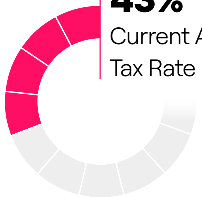
30%
Cash Tax Rate 2021



37%
Average Cash Tax Rate 2018-2020



44%
Current Tax Rate 2021



43%
Current Average Tax Rate 2018-2020

The **TT Rate** in 2021 was essentially **in line** with the average for **2017-2020**.

The **Cash Tax Rate** of 2021 was lower than the average value for the period 2018-2020, mainly due to the patent box incentive.

The **Current Tax Rate** in 2021 was essentially in line with the average value for the three-year period 2018-2020 and deviated from the Nominal Tax Rate mainly due to (i) provisions for risks[47], (ii) non-deductible impairment losses of thermal generation plants, as part of the decarbonization process, and (iii) non-deductibility of book depreciation higher than tax depreciation for the reduction of the useful life of obsolete electronic meters.

(47) These provisions will be deductible in future years. For further analysis, see the section "Principles of tax accounting in a nutshell".

Key figures in Brazil

Companies	203
Revenues	9,929 M€
Tangible Assets	3,329 M€
Earnings Before Taxes (EBT)	499 M€
Income Tax (CIT) Accrued	160 M€
Income Tax (CIT) Paid	199 M€
Employees	8,966
Average Wage per Employee	18,411 €
Average Tax Burden per Employee	9,561 €
Retained Earnings	2,130 M€
Stated Capital	10,843 M€

69% TT Rate 2021

Earnings Before Taxes borne **956 M€**

Taxes borne **656 M€**

In 2021, the TT Rate in Brazil was **69%**. Earnings Before Taxes borne was **956 million euros** and the sum of Taxes borne **656 million euros**.

26% TTC to Turnover 2021

Revenues **9,929 M€**

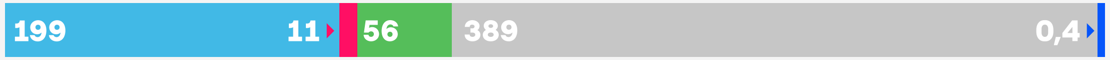
Taxes borne **656 M€**
Taxes collected **1,906 M€**

For every 100 euros of revenues generated in 2021, **26 euros** were used to pay taxes, of which **7 Taxes borne** and **19 Taxes collected**.

Brazil contribution to the Group's TTC was **22%**, amounting to **2,562 million euros**. 26% of the Total Tax Contribution was represented by Taxes borne, while the remaining 74% by Taxes collected.

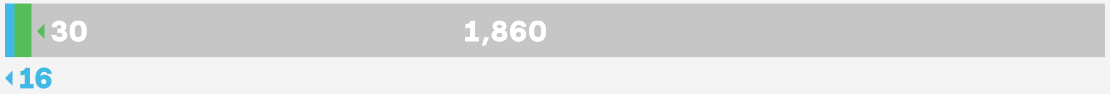
TTC: 2,562 M€(48)

Taxes borne



▶ **656 M€**

Taxes collected



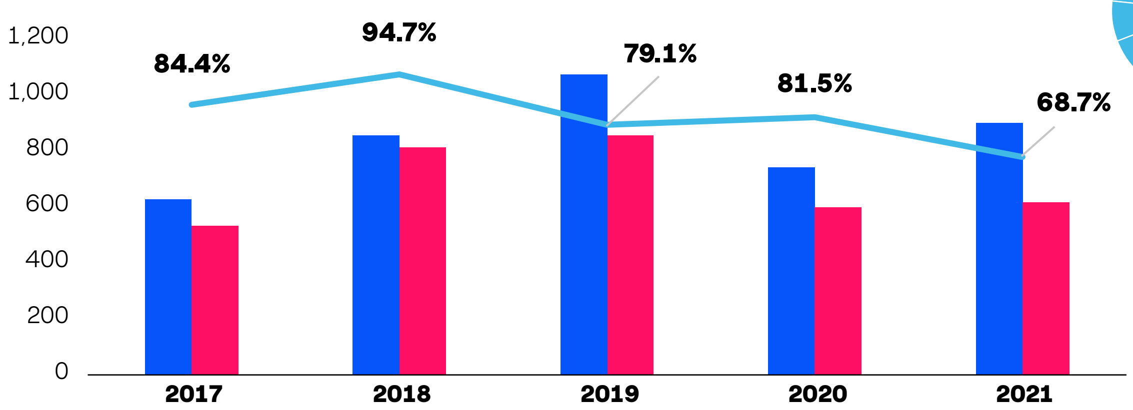
▶ **1,906 M€**

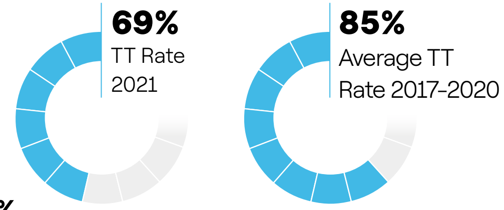
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(48) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 0.4 million euros.

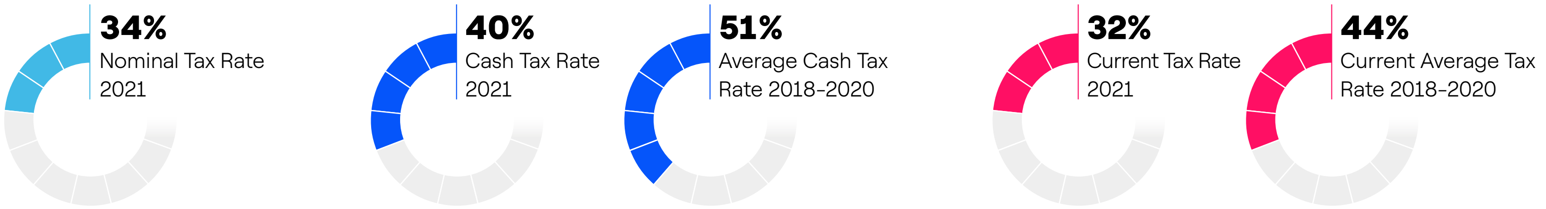
Indicators and trends of Total Tax Contribution in Brazil

TT Rate trend





Corporate Tax Rate



The **TT Rate** in 2021 was lower than the average value for the period **2017-2020** mainly due to a higher **Earnings Before Taxes borne** recorded in 2021, against essentially **stable Taxes borne**. The increase in **Earnings Before Taxes borne** is attributable to higher generation and sale of electricity at increasing average prices. Despite a correlated **increase in Income Taxes**, overall Taxes borne did not increase due to lower **Taxes on Products and Services** resulting from the reduction in the tax base of PIS ("Programa de Integração Social") e COFINS ("Contribuição para Financiamento de Seguridade Social") following a decision of the Supremo Tribunal Federal in Brazil(49).

Despite a substantial increase in Income Taxes paid, the **Cash Tax Rate of 2021** was lower than the average value for the period 2018-2020 on account of the significant increase in Earnings Before Taxes (almost doubled), due to the events already mentioned with reference to the Earnings Before Taxes borne. The Cash Tax Rate was higher than the Nominal Tax Rate due to (i) higher payments due to withholding taxes on derivative financial instrument transactions and (ii) the mechanism for calculating tax payments on advance that changed during the year(50).

The **Current Tax Rate of 2021** was lower than the average value for the period 2018-2020, mainly due to higher personnel costs (pension plan) deducted in the year but related to non-deductible provisions in previous years(51). The Current Tax Rate is lower than the Nominal Tax Rate mainly as a result of tax incentives related to the generation of energy from renewable sources (e.g. *lucro presumido* and SUDENE(52)).

(49) In 2021, the Supremo Tribunal Federal of Brazil, with regard to a specific dispute the initial ruling for which dates back to 2017, ruled regarding the calculation of the PIS ("Programa de Integração Social") e COFINS ("Contribuição para Financiamento de Seguridade Social") taxes, confirming the argument according to which the ICMS ("Imposto sobre circulação de mercadorias e serviços", a tax similar to VAT) should not be included (unlawfulness) in the PIS and COFINS calculation tax base. This decision resulted in the changes to the mechanisms used for determining and paying the taxes.
(50) This change resulted in a misalignment of taxes paid from the actual results achieved during the year. This higher payment will be reabsorbed in the course of 2022.
(51) In 2020 provisions were made in the budget for extraordinary retirement plans. These provisions are tax deductible in the tax period in which the pension benefits are actually paid.
(52) See the section on "Tax incentives".

Key figures in Spain

Companies	140
Revenues	30,342 M€
Tangible Assets	24,143 M€
Earnings Before Taxes (EBT)[53]	2,369 M€
Income Tax (CIT) Accrued	227 M€
Income Tax (CIT) Paid	160 M€
Employees	9,376
Average Wage per Employee	73,361 €
Average Tax Burden per Employee	39,321€
Retained Earnings[54]	31,938 M€
Stated Capital	20,934 M€

33% TT Rate 2021

Earnings Before Taxes borne **3,273 M€**

Taxes borne **1,064 M€**

In 2021, the TT Rate in Spain was **33%**. Earnings Before Taxes borne was **3,273 million euros** and the sum of Taxes borne **1,064 million euros**.

8.3% TTC to Turnover 2021

Revenues **30,342 M€**

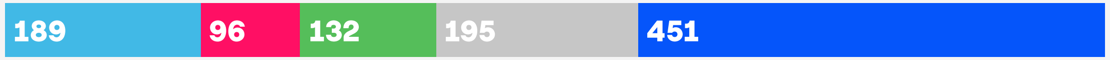
Taxes borne **1,064 M€**
Taxes collected **1,455 M€**

For every 100 euros of revenues generated in 2021, **8.3 euros** were used to pay taxes, of which **3.5 Taxes borne** and **4.8 Taxes collected**.

Spain's contribution to the Group's TTC was **22%**, amounting to **2,519 million euros**. 42% of the Total Tax Contribution was represented by Taxes borne, while the remaining 58% by Taxes collected.

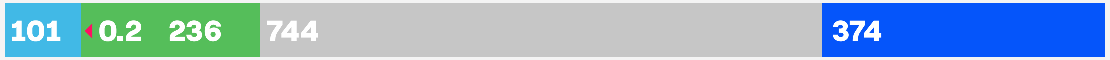
TTC: 2,519 M€[55]

Taxes borne



1,064 M€

Taxes collected



1,455 M€

Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

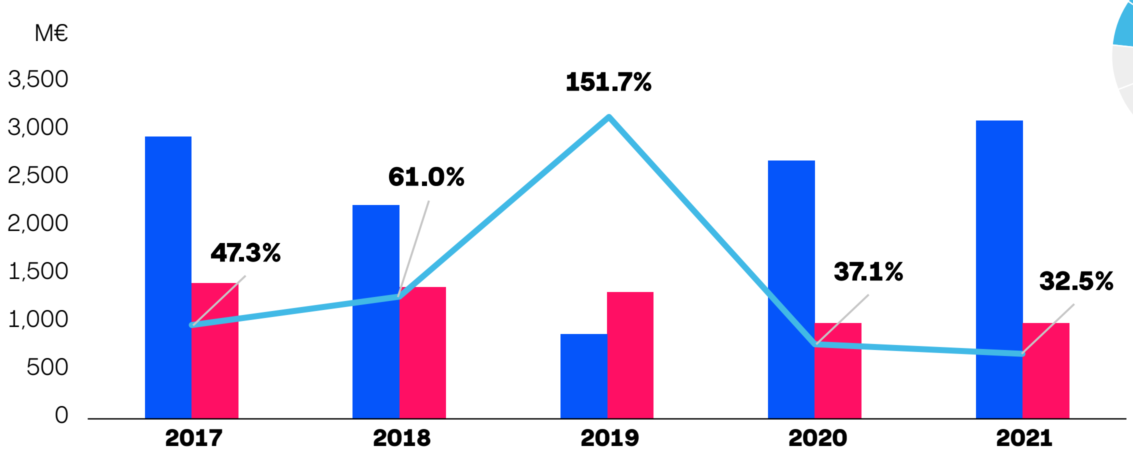
(53) In order to offer a more realistic representation of the value created in the country, the value shown for Earnings Before Taxes was indicated without consideration of an extraordinary valuation component of 9.9 billion euros booked in 2021. This valuation component (not fiscally relevant) is the result of the reversal of an impairment loss of the equity investment in Endesa SA by Enel Iberia Srl, which was carried out in compliance with the international accounting principles, in order to nullify the conditions that generated an impairment loss in 2014 following the sale by Endesa SA of companies held in Latin America.

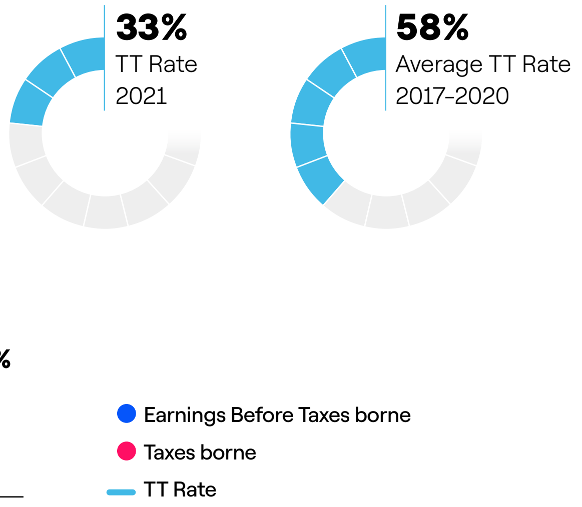
(54) Retained Earnings also include the effects of Purchase Price Allocation processes, related to the acquisition of Endesa, amounting to 6,778 million euros carried out in previous years in application of IFRS 3 in Spain and capital reserves amounting to 5,700 million euros.

(55) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 79.3 million euros, of which 51.66 million euros related to the *Bono social* and 27.66 million euros related to *Eficiencia energética*.

Indicators and trends of Total Tax Contribution in Spain

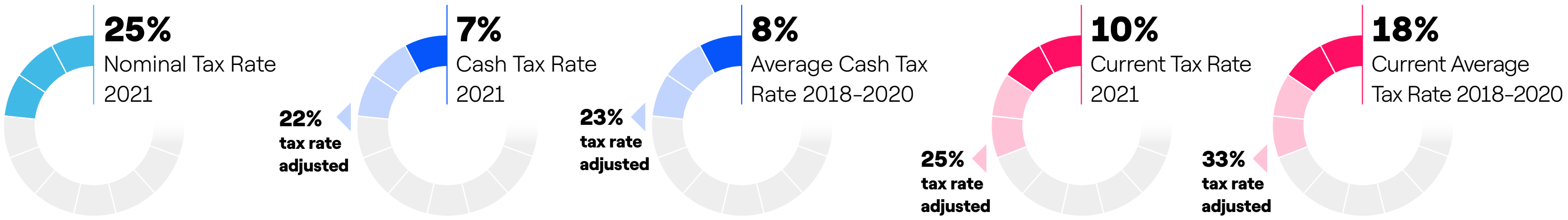
TT Rate trend





The **TT Rate** in 2021 was lower than the average value for the period **2017-2020** mainly due to a higher **Earnings Before Taxes borne** recorded in 2021, against essentially **stable Taxes borne**. In fact, despite an increase in the economic results and **in the related Income Taxes**, the overall tax burden did not increase as a result of **lower Environmental Taxes** from refunds obtained in 2021[56], measures to defer the payment of electricity tax and the decrease in coal consumption as a result of the progressive decarbonization program adopted by the Group.

Corporate Tax Rate



(56) The refund, amounting to around 300 million euros, refers to the "Canon Hidráulico" (water charge) paid during 2013-2020. Following a judgment of the Spanish Tribunal Supremo, the charge was repaid as it was declared non-applicable.

The main factors influencing both the **Cash** and **Current Tax Rate** and determining their difference from the Nominal Tax Rate was the recovery of taxes already paid in previous years, in particular:

(i) the impairment losses of coal-fired plants in 2019[57], which had a very negative impact on the accounting result for that year, was deductible on a straight-line basis only from 2020. The recovery in 2021 of a portion of the taxes paid in advance in 2019 reduces significantly the taxes to be paid, with an impact on the Cash and Current Tax Rate of about 5%;

(ii) the utilization of tax credits[58] accrued in favor of the Parent Company Enel Iberia, and aimed at eliminating double taxation phenomena related to previous years, led to a reduction in Current Taxes and taxes paid, with an impact on the Cash and Current Tax Rate of about 10%.

Net of these phenomena, both the Cash Tax Rate and the Current Tax Rate would be substantially in line with the Nominal Tax Rate (adjusted tax rate). The same phenomena influence the deviation of Current Tax Rate and the Cash Tax Rate from their relative average values.

(57) In 2019, in light of the decarbonization process adopted by the Group, impairment losses (non-deductible in the year) of approximately 1,900 million euros were recorded. Starting in 2020, and in accordance with the country's tax rules, these impairment losses started to produce higher tax-deductible depreciations. For further details, see the section "Principles of tax accounting in a nutshell".

(58) 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, given that the capital gains realized by Endesa's former shareholders were already subject to taxation.

Key figures in Colombia

Companies	**13**
Revenues	**2,248 M€**
Tangible Assets	**3,675 M€**
Earnings Before Taxes (EBT)	**875 M€**
Income Tax (CIT) Accrued	**261 M€**
Income Tax (CIT) Paid	**249 M€**
Employees	**2,256**
Average Wage per Employee	**29,846 €**
Average Tax Burden per Employee	**9,931 €**
Retained Earnings	**1,938 M€**
Stated Capital	**512 M€**

37% **TT Rate 2021**

Earnings Before Taxes borne **991 M€**

Taxes borne **365 M€**

In 2021, the TT Rate in Colombia was **37%**. Earnings Before Taxes borne was **991 million euros** and the sum of Taxes borne **365 million euros**.

19% **TTC to Turnover 2021**

Revenues **2,248 M€**

Taxes borne **365 M€**
Taxes collected **57 M€**

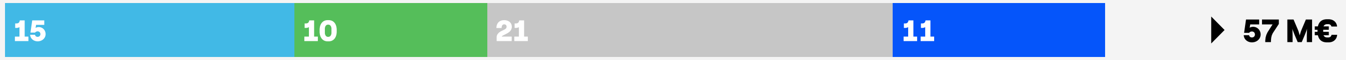
For every 100 euros of revenues generated in 2021, **19 euros** were used to pay taxes, of which **16 Taxes borne** and **3 Taxes collected**.

Colombia's contribution to the Group's overall TTC was **4%**, amounting to **422 million euros**. 86% of the Total Tax Contribution was represented by Taxes borne, while the remaining 14% by Taxes collected.

TTC: 422 M€

Taxes borne

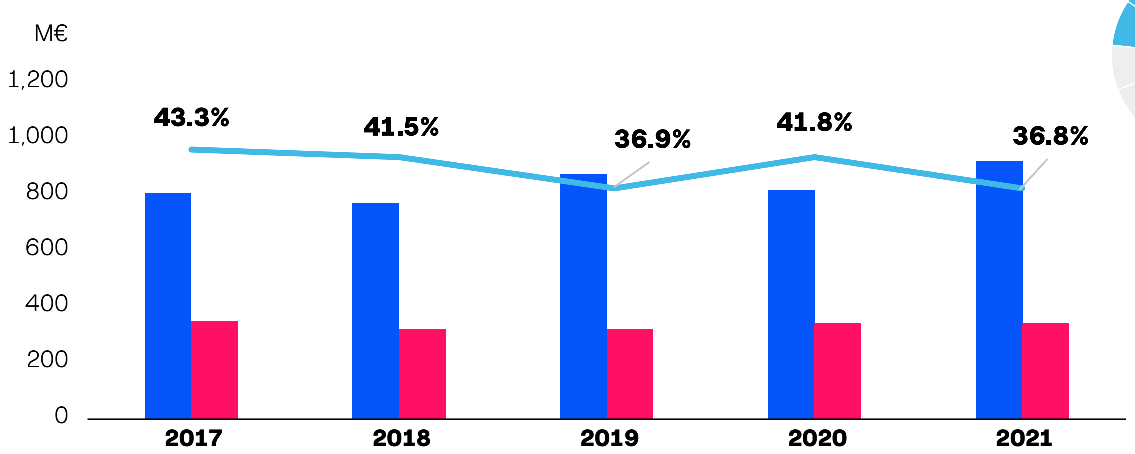
Taxes collected

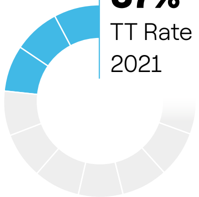


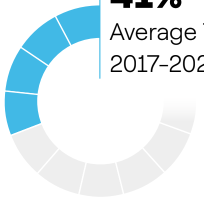
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

Indicators and trends of Total Tax Contribution in Colombia

TT Rate trend

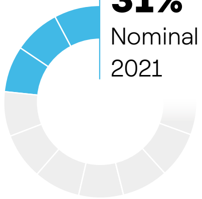


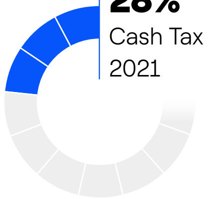

37%
TT Rate
2021

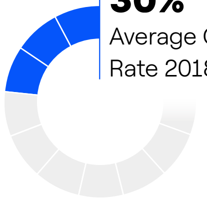

41%
Average TT Rate
2017-2020

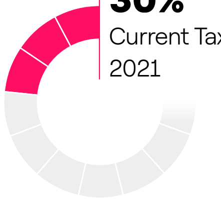
The **TT Rate** in 2021 was slightly lower than the average value for the **2017-2020** period, mainly due to a higher **Earnings Before Taxes borne** recorded in 2021, against **Taxes borne** that remained essentially **stable** and broadly in line with the average for the 2017-2020 period. The **increase** in **Earnings Before Taxes borne** is attributable to (i) higher market prices, (ii) the improved performance of renewable projects and (iii) the positive exchange rate effect. Despite a correlated **increase in Income Taxes**, the overall Taxes borne did not increase due to lower **Taxes on Products and Services**.

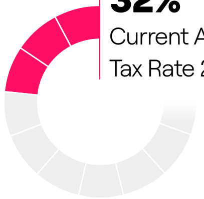
Corporate Tax Rate


31%
Nominal Tax Rate
2021


28%
Cash Tax Rate
2021


30%
Average Cash Tax
Rate 2018-2020


30%
Current Tax Rate
2021


32%
Current Average
Tax Rate 2018-2020

Cash and **Current Tax Rate** decreased from its 2018-2020 average value, due to a gradual reduction in Nominal Tax Rates. The difference of the Cash Tax Rate with the Nominal Tax Rate can be attributed to the tax payment mechanism based on historical data compared to a higher Earnings Before Taxes.
The difference between the Current Tax Rate and the Nominal Tax Rate is mainly due to the positive effects on Current Taxes related to accelerated tax depreciation (approximately 10 million euros of tax effect).

Key figures in Chile

Companies	**21**
Revenues	**3,528 M€**
Tangible Assets	**6,667 M€**
Earnings Before Taxes (EBT)	**-292 M€**
Income Tax (CIT) Accrued	**283 M€**
Income Tax (CIT) Paid	**121 M€**
Employees	**2,249**
Average Wage per Employee	**66,548 €**
Average Tax Burden per Employee	**8,730 €**
Retained Earnings	**1,271 M€**
Stated Capital	**21,017 M€**

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

8% **TTC to Turnover 2021**

Revenues **3,528 M€**

Taxes borne **154 M€**
Taxes collected **128 M€**

For every 100 euros of revenues generated in 2021, **8 euros** were used to pay taxes, of which **4 euro for Taxes borne** and **4 euros for Taxes collected**.

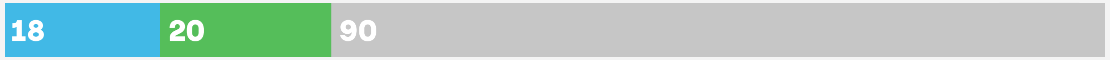
Chile's contribution to the Group's overall TTC was **2%**, amounting to **282 million euros**. 55% of the Total Tax Contribution was represented by Taxes borne, while the remaining 45% by Taxes collected.

TTC: 282 M€[59]

Taxes borne

154 M€

Taxes collected



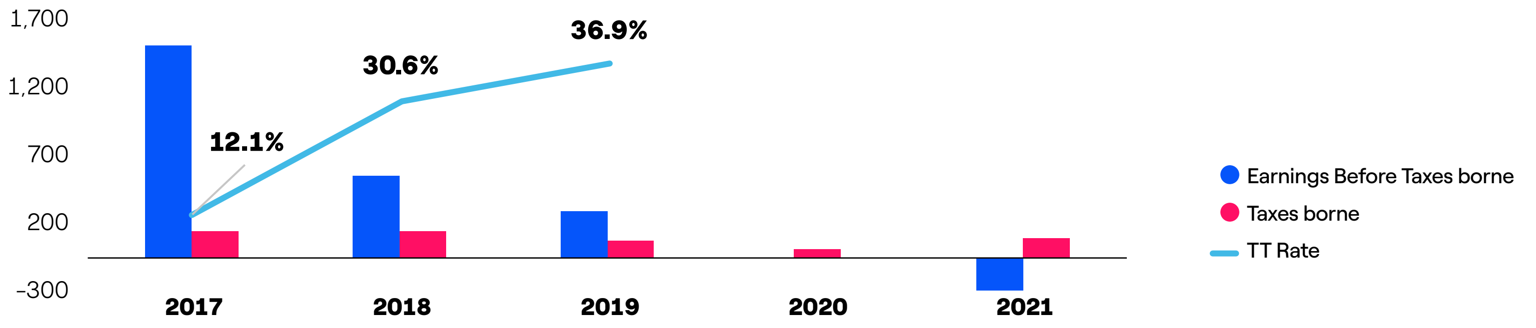
128 M€

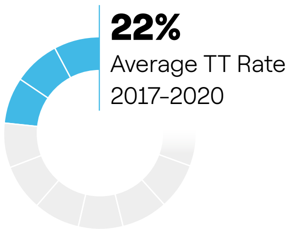
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(59) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 5.7 million euros, of which 4.1 million euros for Commercial Licenses.

Indicators and trends of Total Tax Contribution in Chile

TT Rate trend

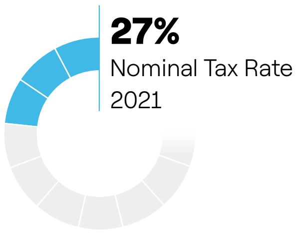


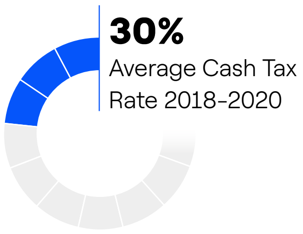


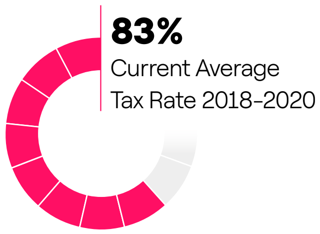
Despite the presence of a **Negative Earnings Before Taxes borne** in **2021**, mainly due to (i) the increase in energy purchase prices, (ii) the increase in operating expenses and (iii) the increase in financial expenses, **Taxes borne** were nevertheless **paid** in line with the average Taxes borne in the period **2017-2020**.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

Corporate Tax Rate







Key figures in Argentina

Companies	16
Revenues	1,945 M€
Tangible Assets	1,837 M€
Earnings Before Taxes (EBT)	-13 M€
Income Tax (CIT) Accrued	21 M€
Income Tax (CIT) Paid	25 M€
Employees	4,079
Average Wage per Employee	22,714 €
Average Tax Burden per Employee	9,089 €
Retained Earnings	789 M€
Stated Capital	868 M€

279% **TT Rate 2021**

Earnings Before Taxes borne **21 M€**

Taxes borne **60 M€**

13% **TTC to Turnover 2021**

Revenues **1,945 M€**

Taxes borne **60 M€**
Taxes collected **189 M€**

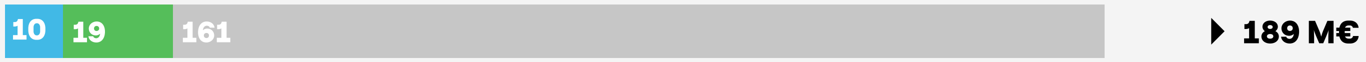
For every 100 euros of revenues generated in 2021, **13 euros** were used to pay taxes, of which **3 euros for Taxes borne** and **10 euros for Taxes collected**.

Argentina's contribution to the Group's overall TTC was **2%**, amounting to **249 million euros**. 24% of the Total Tax Contribution was represented by Taxes borne, while the remaining 76% by Taxes collected.

TTC: 249 M€

Taxes borne

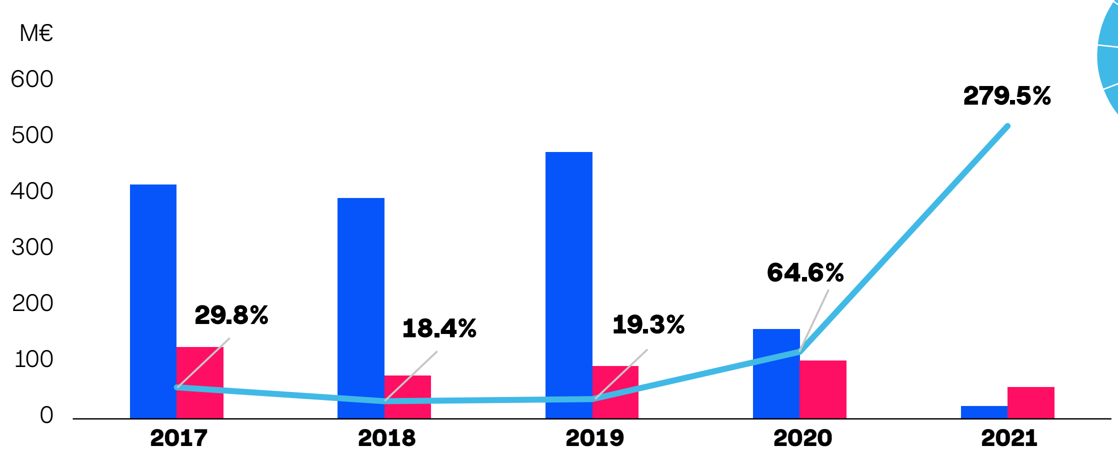
Taxes collected

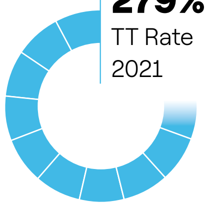


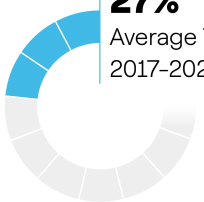
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

Indicators and trends of Total Tax Contribution in Argentina

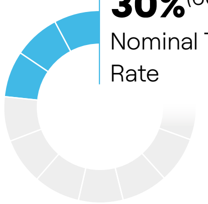
TT Rate trend

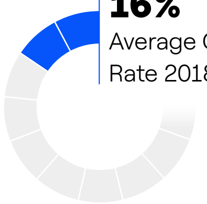


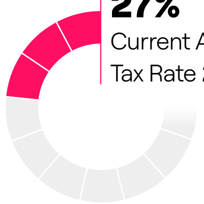




Corporate Tax Rate







The **TT Rate** in 2021 was **significantly higher** than the average value for the period **2017-2020** due to a significant **reduction** in **Earnings Before Taxes borne** in 2021, which was **more than proportional** to the **reduction** in **Taxes borne** in the same year. The **decrease** in **Earnings Before Taxes borne** is attributable to (i) the negative effects of inflation, (ii) the increase in operating expenses and (iii) the increase in financial expenses.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the reduction in Earnings Before Taxes as a result of the events already mentioned above with reference to Earnings Before Taxes borne. The average **Current Tax Rate** for 2018-2020 was essentially in line with the Nominal Tax Rate in force in previous tax periods (30%). The deviation of the average **Cash Tax Rate** for the period 2018-2020 from the Nominal Tax Rate is due to the fact that part of the profit generated by inflationary phenomena is not recognized for tax purposes and to the effect of offsetting credits for withholding taxes incurred.

(60) 35% from 2021.

Key figures in Romania

Companies	25
Revenues	1,712 M€
Tangible Assets	1,985 M€
Earnings Before Taxes (EBT)	14 M€
Income Tax (CIT) Accrued	7 M€
Income Tax (CIT) Paid	19 M€
Employees	3,291
Average Wage per Employee	24,949 €
Average Tax Burden per Employee	11,946 €
Retained Earnings	1,209 M€
Stated Capital	1,137 M€

124% **TT Rate 2021**

Earnings Before Taxes borne **23 M€**

Taxes borne **28 M€**

In 2021, the TT Rate in Romania was **124%**. Earnings Before Taxes borne was **23 million euros** and the sum of Taxes borne **28 million euros**.

13.5% **TTC to Turnover 2021**

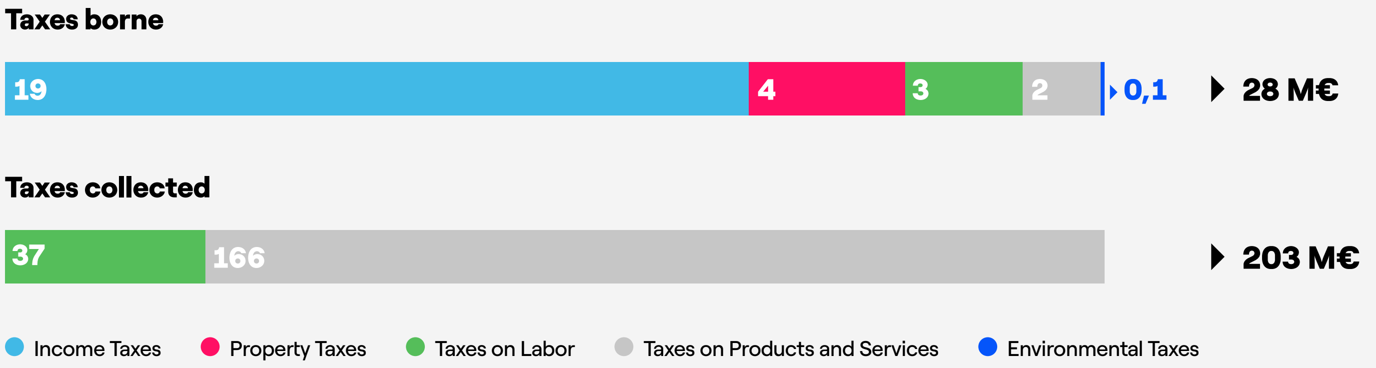
Revenues **1,712 M€**

Taxes borne **28 M€**
Taxes collected **203 M€**

For every 100 euros of revenues generated in 2021, **13.5 euros** were used to pay taxes, of which **1.6 Taxes borne** and **11.8 Taxes collected**[61].

Romania's contribution to the Group's overall TTC was **2%**, amounting to **231 million euros**. 12% of the Total Tax Contribution was represented by Taxes borne, while the remaining 88% by Taxes collected.

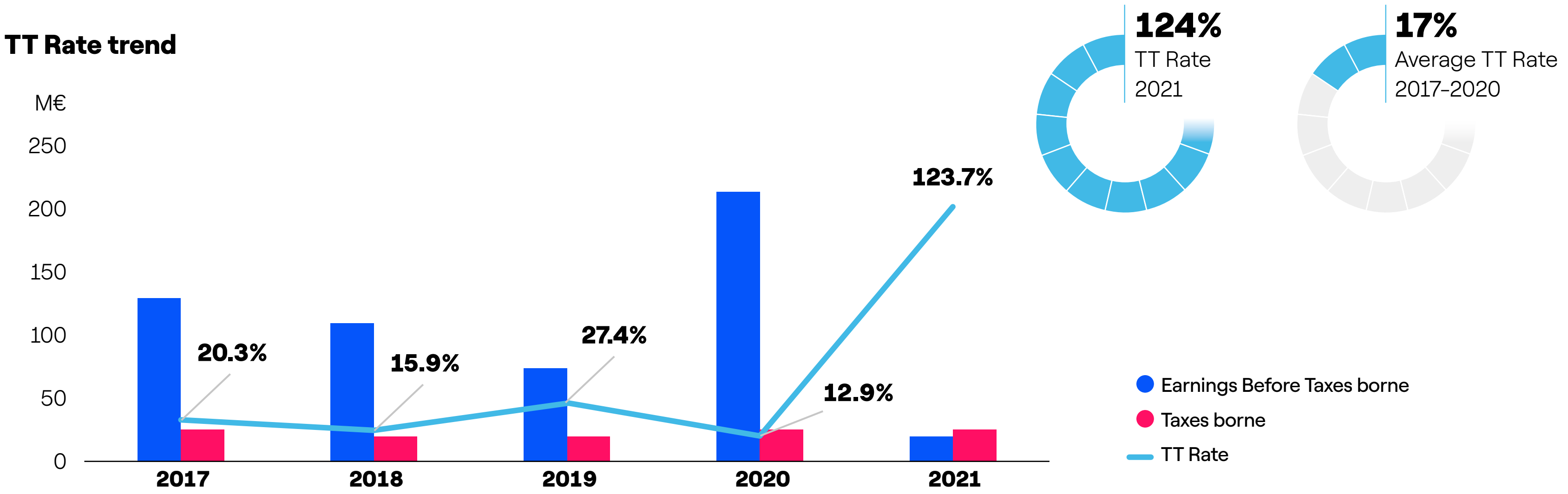
TTC: 231 M€



(61) The sum of the values may not correspond to the total due to rounding off.

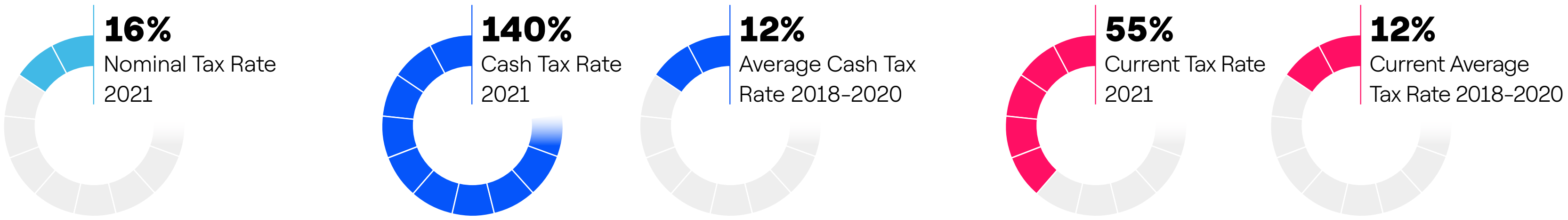
Indicators and trends of Total Tax Contribution in Romania

TT Rate trend



The **TT Rate** in 2021 was **significantly higher** than the average value for the **2017-2020** period due to a significant **reduction** in **Earnings Before Taxes borne** in 2021, against essentially **stable Taxes borne** and in line with the average for the 2017-2020 period.
The **reduction** in **Earnings Before Taxes borne** is attributable to the contraction of sales margins, due to an **increase** in the **purchase price** of energy on the market that was not reflected in the rates charged to customers.

Corporate Tax Rate



Against a constant trend in taxes paid, the **Cash Tax Rate** in 2021 deviated upwards from the average value for the period 2018-2020 due to a sharp decline in Earnings Before Taxes as a result of the reduction in sales margins due to higher energy prices. The same phenomenon resulted in an increase in the **Current Tax Rate** in 2021 compared to the average value for the period 2018-2020.

Key figures in Peru

Companies	12
Revenues	1,180 M€
Tangible Assets	2,341 M€
Earnings Before Taxes (EBT)	302 M€
Income Tax (CIT) Accrued	90 M€
Income Tax (CIT) Paid	106 M€
Employees	988
Average Wage per Employee	44,245 €
Average Tax Burden per Employee	8,418 €
Retained Earnings	216 M€
Stated Capital	2,261 M€

39% TT Rate 2021

Earnings Before Taxes borne **319 M€**

Taxes borne **123 M€**

In 2021, the TT Rate in Peru was **39%**. Earnings Before Taxes borne was **319 million euros** and the sum of Taxes borne **123 million euros**.

15.9% TTC to Turnover 2021

Revenues **1,180 M€**

Taxes borne **123 M€**
Taxes collected **65 M€**

For every 100 euros of revenues generated in 2021, **15.9 euros** were used to pay taxes, of which **10.4 Taxes borne** and **5.5 Taxes collected**.

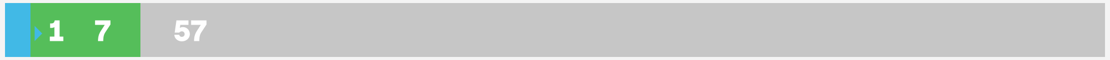
Peru's contribution to the Group's overall TTC was **2%**, amounting to **188 million euros**. 66% of the Total Tax Contribution was represented by Taxes borne, while the remaining 34% by Taxes collected.

TTC: 188 M€

Taxes borne

123 M€

Taxes collected

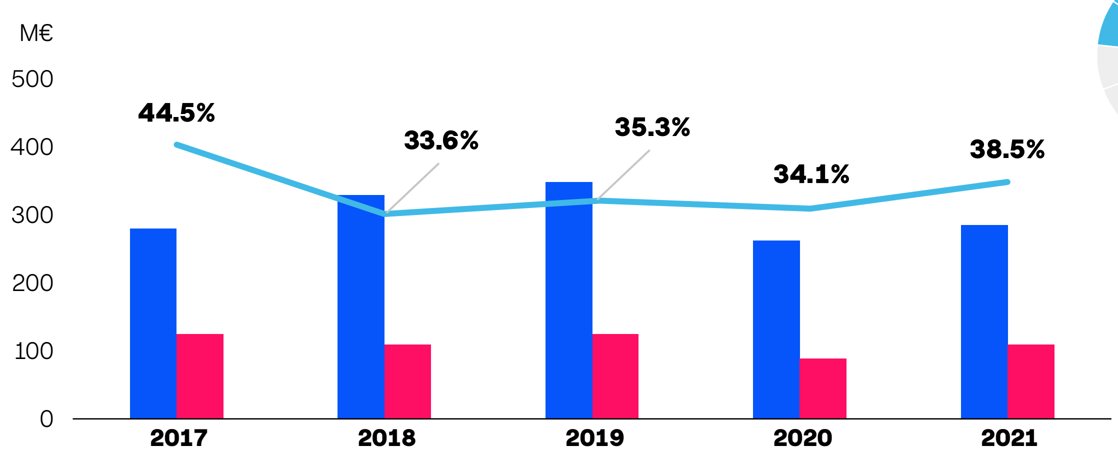


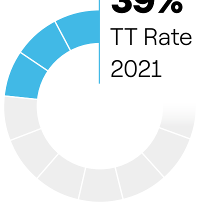
65 M€

Income Taxes | Property Taxes | Taxes on Labor | Taxes on Products and Services | Environmental Taxes

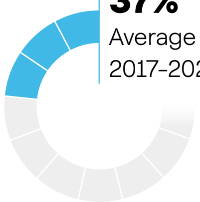
Indicators and trends of Total Tax Contribution in Peru

TT Rate trend





39%
TT Rate
2021



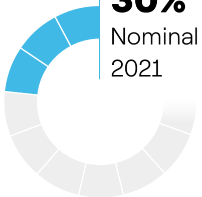
37%
Average TT Rate
2017-2020

The **TT Rate** in 2021 was essentially **in line** with the average for **2017-2020**.

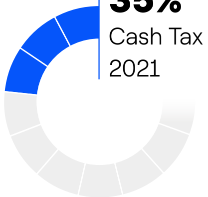
The **Cash Tax Rate** was broadly in line with the Nominal Tax Rate and still above the average value for the period 2018-2020.

The **Current Tax Rate** 2021 was in line with the Nominal Tax Rate and the average value for the period 2018-2020.

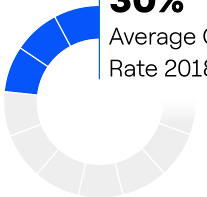
Corporate Tax Rate



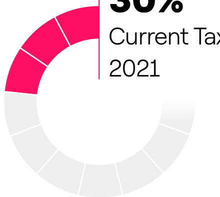
30%
Nominal Tax Rate
2021



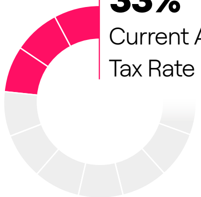
35%
Cash Tax Rate
2021



30%
Average Cash Tax
Rate 2018-2020



30%
Current Tax Rate
2021



33%
Current Average
Tax Rate 2018-2020

Key figures in Portugal

Companies	5
Revenues	1,300 M€
Tangible Assets	34 M€
Earnings Before Taxes (EBT)	36 M€
Income Tax (CIT) Accrued	5 M€
Income Tax (CIT) Paid	10 M€
Employees	74
Average Wage per Employee	32,534 €
Average Tax Burden per Employee	28,924 €
Retained Earnings	5 M€
Stated Capital	0.4 M€

30% TT Rate 2021

Earnings Before Taxes borne **37 M€**

Taxes borne **11 M€**

In 2021, the TT Rate in Portugal was **30%**. Earnings Before Taxes borne was **37 million euros** and the sum of Taxes borne **11 million euros**.

12% TTC to Turnover 2021

Revenues **1,300 M€**

Taxes borne **11 M€**
Taxes collected **149 M€**

For every 100 euros of revenues generated in 2021, **12 euros** were used to pay taxes, of which **1 euro for Taxes borne** and **11 euros for Taxes collected**.

Portugal's contribution to the Group's overall TTC was **1%**, amounting to **160 million euros**. 7% of the Total Tax Contribution was represented by Taxes borne, while the remaining 93% by Taxes collected.

TTC: 160 M€(62)

Taxes borne

▶ **11 M€**

Taxes collected

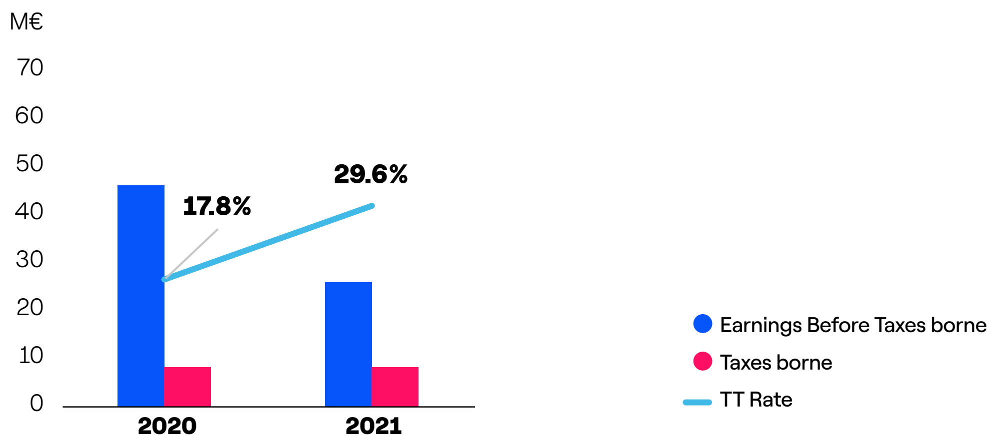
▶ **149 M€**

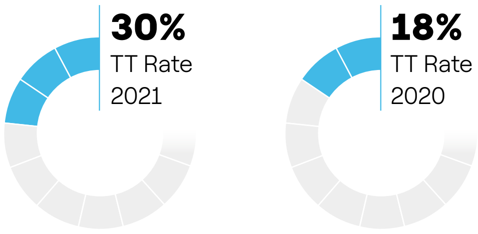
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(62) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 27.4 million euros, of which 13.7 million euros related to the *Bono social* and 13.6 million euros to the *Tasa Audiovisual*.

Indicators and trends of Total Tax Contribution in Portugal

TT Rate trend



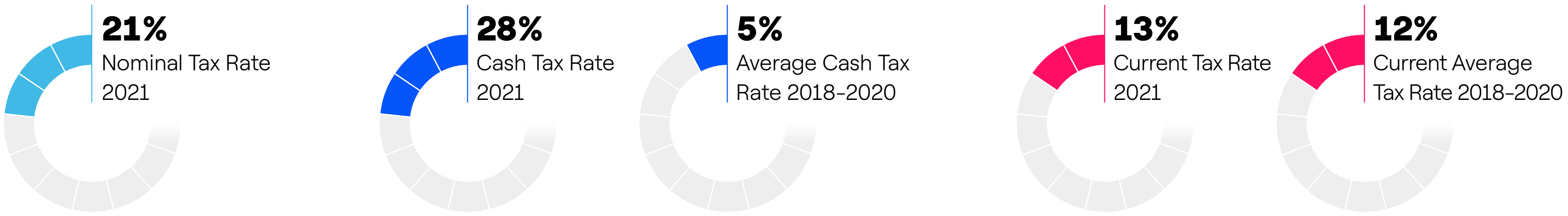


The **TT Rate** in 2021 was **higher** than in **2020** due to a **reduction** in **Earnings Before Taxes borne**, against **Taxes borne** that were essentially **stable** and **in line** with 2020.
The **reduction** in **Earnings Before Taxes borne** is attributable to the increase in gas purchase prices in 2021 compared to 2020.

The 2021 **Cash Tax Rate** was higher than the average for the period 2018-2020 and higher than the Nominal Tax Rate due to higher tax on balance payments made in 2021.

The **Current Tax Rate** of 2021 was in line with the average value for the period 2018-2020 but deviated from the Nominal Tax Rate due to the offsetting of past tax losses.

Corporate Tax Rate



Key figures in USA and Canada

Companies	472
Revenues	1,477 M€
Tangible Assets	10,069 M€
Earnings Before Taxes (EBT)	125 M€
Income Tax (CIT) Accrued	-6 M€
Income Tax (CIT) Paid	1 M€
Employees	1,558
Average Wage per Employee	111,320 €
Average Tax Burden per Employee	34,555 €
Retained Earnings	938 M€
Stated Capital	15,799 M€

28% TT Rate 2021

Earnings Before Taxes borne **171 M€**

Taxes borne **48 M€**

In 2021, the TT Rate in the USA and Canada was **28%**. Earnings Before Taxes borne was **171 million euros** and the sum of Taxes borne **48 million euros**.

6% TTC to Turnover 2021

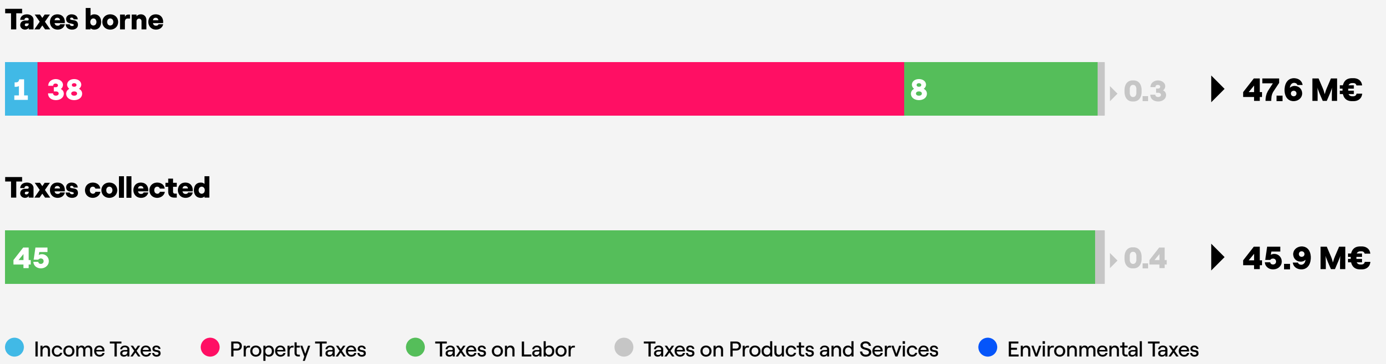
Revenues **1,477 M€**

Taxes borne **47.6 M€**
Taxes collected **45.9 M€**

For every 100 euros of revenues generated in 2021, **6 euros** were used to pay taxes, of which **3 Taxes borne** and **3 Taxes collected**.

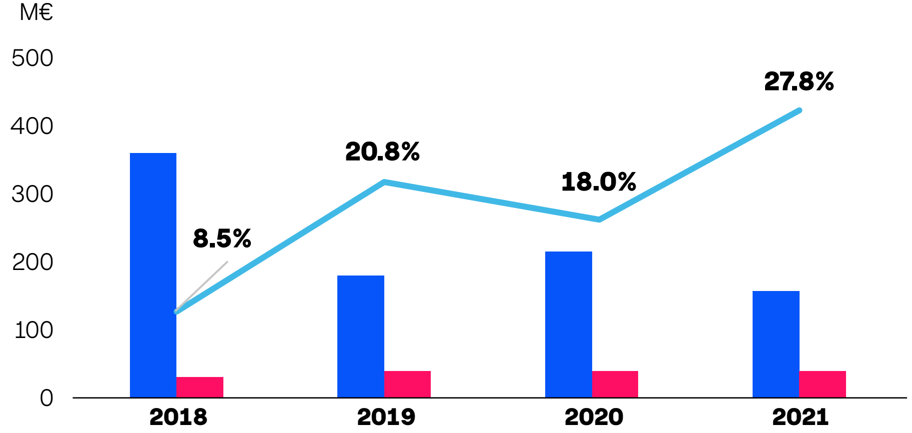
The USA and Canada's contribution to the Group's overall TTC was **1%**, amounting to **93 million euros**. 51% of the Total Tax Contribution was represented by Taxes borne, while the remaining 49% by Taxes collected.

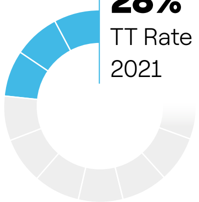
TTC: 93.5 M€



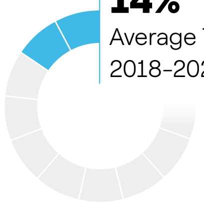
Indicators and trends of Total Tax Contribution in the USA and Canada

TT Rate trend



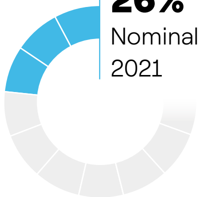


28%
TT Rate
2021

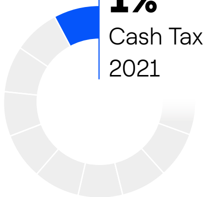


14%
Average TT Rate
2018-2020

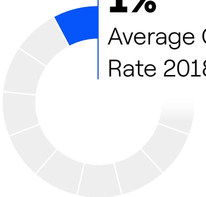
Corporate Tax Rate[63]



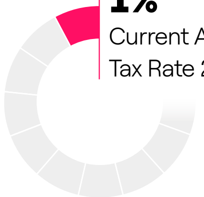
26%
Nominal Tax Rate
2021



1%
Cash Tax Rate
2021



1%
Average Cash Tax
Rate 2018-2020



1%
Current Average
Tax Rate 2018-2020

The **TT Rate** in 2021 was **higher** than the average value for the period **2018-2020** due to a **reduction** in **Earnings Before Taxes borne** in 2021 and a slight increase in **Taxes borne** in the same year.

The decrease in Earnings Before Taxes borne was mainly due to the increase in operating expenses and financial expenses, only partly offset by the increase in revenue.

The **increase** in **Taxes borne** is mainly due to (i) **higher Property Taxes** resulting from the commissioning of new renewable energy plants, (ii) **higher Taxes on Labor** resulting from the postponement of the payment of these taxes granted in 2020 by local authorities in the context of the Covid-19 crisis.

In **North America, tax measures are provided to stimulate the renewable energy business**. These are mainly tax credits that incentivize a percentage of the investments in renewables (ITC - Investment Tax Credit), the generation of energy from renewable sources (PTC - Production Tax Credit) and the immediate deduction of capitalized expenditure[64]. These incentives can be offset against the tax liability by the taxpayer or sold to third parties (tax partners).

This explains the relatively low level of Income Taxes, especially in financial years with a high volume of investments.

The **Cash Tax Rate** for 2021 was in line with the average value for the period 2018-2020.

(63) In the presence of negative Current Taxes, the Current Tax Rate 2021 has not been calculated. Current Taxes were negative due to an accounting adjustment related to an overestimate of taxes made in previous years.

(64) See the section "Tax incentives".

Key figures in France

Companies	3
Revenues	492 M€
Tangible Assets	41 M€
Earnings Before Taxes (EBT)	-3 M€
Income Tax (CIT) Accrued	0.03 M€
Income Tax (CIT) Paid	-1 M€
Employees	68
Average Wage per Employee	69,680 €
Average Tax Burden per Employee	41,817 €
Retained Earnings	-2 M€
Stated Capital	6 M€

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

16.8% **TTC to Turnover 2021**

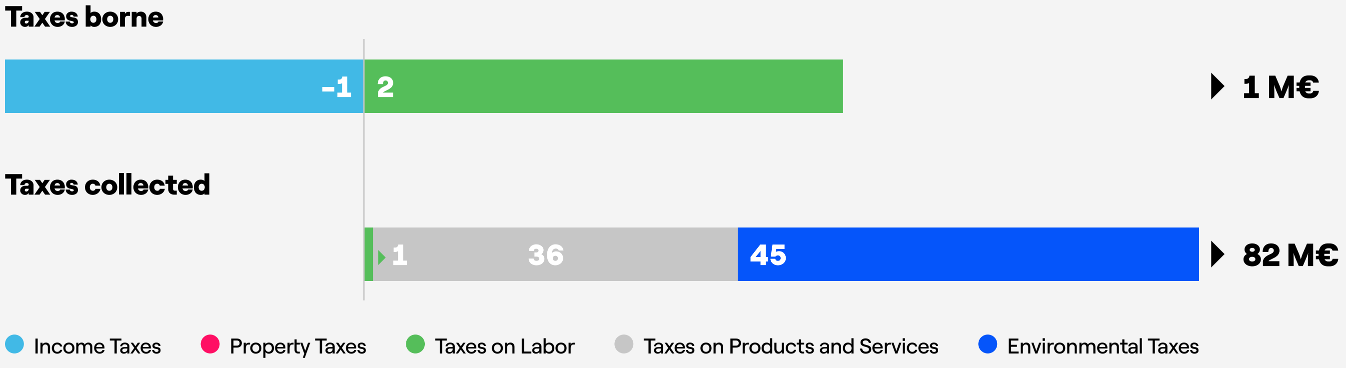
Revenues **492 M€**

Taxes borne **1 M€**
Taxes collected **82 M€**

For every 100 euros of revenues generated in 2021, **16.8 euros** were used to pay taxes, of which **0.1 euro for Taxes borne** and **16.7 euros for Taxes collected**.

France's contribution to the Group's overall TTC was **1%**, amounting to **83 million euros**. 1% of the Total Tax Contribution was represented by Taxes borne, while the remaining 99% by Taxes collected.

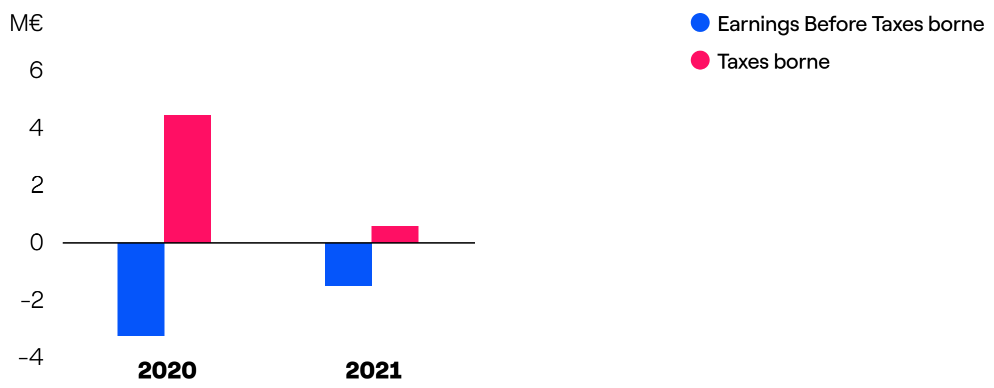
TTC: 83 M€(65)



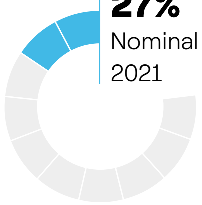
(65) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 4.6 million euros in relation to the *Contribution Tarifaire d'Acheminement* (CTA).

Indicators and trends of Total Tax Contribution in France

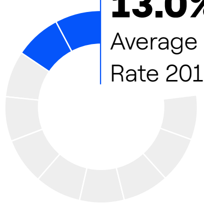
TT Rate trend



Corporate Tax Rate



27%
Nominal Tax Rate 2021



13.0%
Average Cash Tax Rate 2018-2020

Despite the presence of a **negative Earnings Before Taxes borne** in **2021**, mainly due to the presence of start-up entities[66], **taxes** were nevertheless **paid**, albeit **fewer** than in **2020**. In particular, the reduction in Taxes borne is attributable to the trend in **Income Taxes**, which decreased due to refunds obtained in 2021 against overpayments made in previous years.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

(66) The start-up phase represents the moment when a new enterprise commences its activities and coincides with the period in which the enterprise incurs a series of initial costs and makes its main investments.

Key figures in the Netherlands

Companies	5
Net interest income[67]	-885 M€
Tangible Assets	0.1 M€
Earnings Before Taxes (EBT)	-1,269 M€
Income Tax (CIT) Accrued	10 M€
Income Tax (CIT) Paid	49 M€
Employees	20
Average Wage per Employee	95,657 €
Average Tax Burden per Employee	44,554 €
Retained Earnings[68]	751 M€
Stated Capital	2,042 M€

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

N.A. **TTC to Turnover 2021**

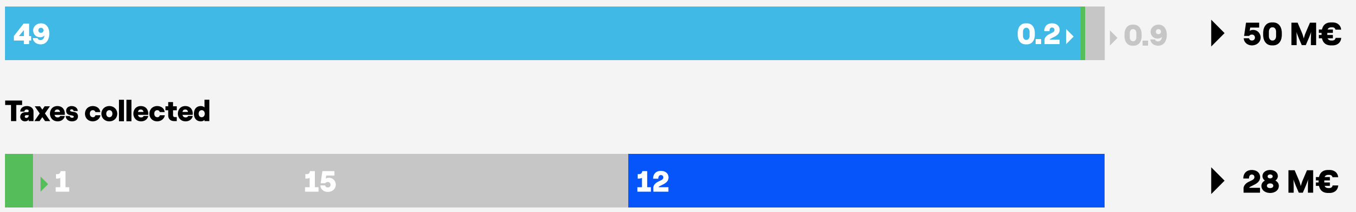
Given the negative value of Revenues, the TT indicator in relation to Revenues has not been calculated and has been indicated as N.A.

The contribution of the Netherlands to the Group's overall TTC was **1%**, amounting to **78 million euros**. 64% of the Total Tax Contribution was represented by Taxes borne, while the remaining 36% by Taxes collected.

TTC: 78 M€

Taxes borne

Taxes collected

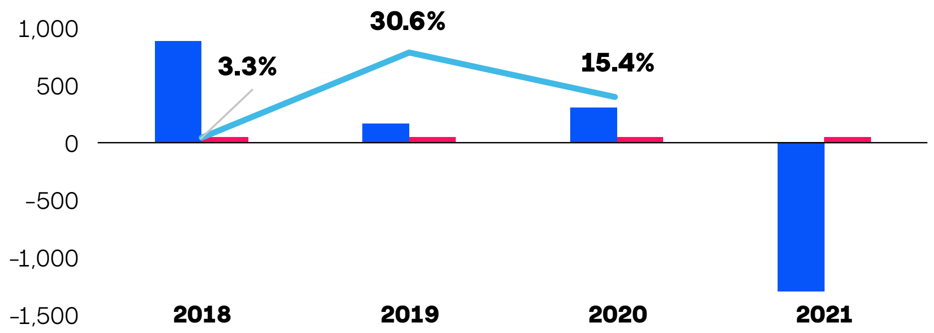


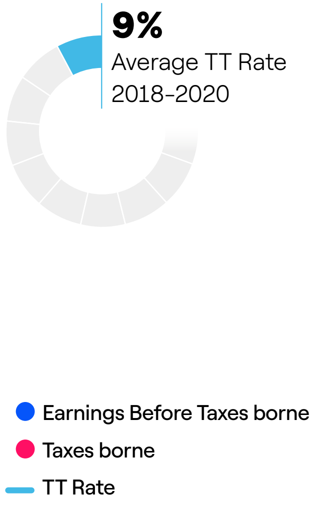
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(67) For the sole purpose of the country data sheet on the Netherlands, in relation to the financial activities performed, the item "Revenues" is replaced by "Net Banking Income" (i.e. Net Interest), consistent with the reporting practice generally followed in the banking sector. For further details, see the Glossary. The negative value of Revenues in 2021 was due to the negative net interest of the Group's main financial company (Enel Finance International NV), amounting to -€1,096 million euros, as a result of the costs incurred in connection with the repurchase and cancellation of ordinary bonds not related to SDG logic.
(68) This amount is net of 9,845 million euros of capital reserves generated from recapitalization operations of Dutch companies.

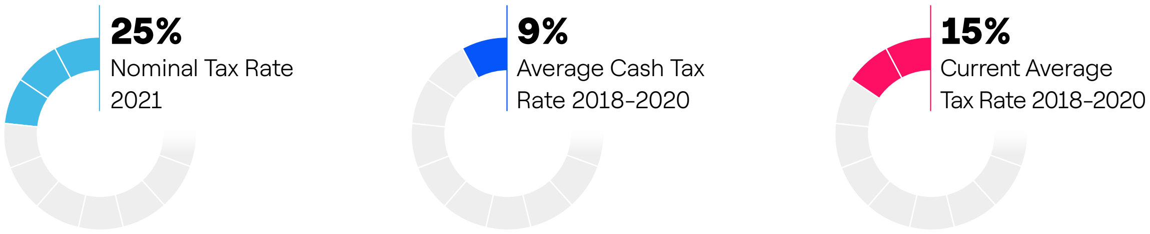
Indicators and trends of Total Tax Contribution in the Netherlands

TT Rate trend[69]





Corporate Tax Rate



The companies that, at Group level, deal with finance (Enel Finance International - EFI) and that manage the insurance and reinsurance activities of the operating companies (Enel Insurance), are based in the Netherlands.

In particular, EFI manages funding activities for the Group to finance business development plans of the operating companies in the various countries and regions where Enel is present. 2021 was characterized by a debt restructuring operation as a result of which securities issued in the past were repurchased early, and new sustainability-linked bonds were issued, in line with the industrial objectives that the Enel Group has set for itself in terms of sustainability and decarbonization. The new issues will optimize the cost of debt for future years by extending its maturity and benefiting from the particularly favorable interest rates in 2021[70].

(69) In the presence of a negative Earnings Before Taxes borne, the TT Rate has not been calculated.
(70) The bond repurchase was part of the strategy to convert the Group's debt into sustainable "SDG-linked" debt and made it possible, at Group level, to achieve a ratio of (i) sustainable financing sources to (ii) total gross debt of about 55%.

The restructuring operation generated approximately 560 million euros in extraordinary costs in Enel Finance International's income statement.

Despite the presence of a **negative Earnings Before Taxes borne** in **2021**, mainly due to the aforementioned extraordinary costs, **Taxes borne paid** were nevertheless higher than the average for the period **2018-2020**[71]. **The increase in Taxes borne is attributable** to higher Income Taxes paid in 2021 on the basis of the determination of actual Taxable Income in 2020, up from 2019.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.
The average **Cash Tax Rate** for the period 2018-2020 was lower than the Nominal Tax Rate because it was affected by several refunds of excess tax payments made in previous years. The average **Current Tax Rate** for the 2018-2020 period was lower than the Nominal Tax Rate due to a number of corporate structure simplifications over the years that resulted in capital gains being subject to the Participation Exemption (PEX) regime[72]. Net of these latter transactions, the average Cash and Current Tax Rates would have been 17% and 34% respectively.

(71) In the calculation of the average value for the period 2018-2020, in order to neutralize methodological differences in 2018 compared to 2019-2020, 2018 Income Taxes were adjusted to account for withholding taxes incurred by Dutch entities and paid to tax administrations in other countries (amounting to approximately 24 million euros).
(72) The PEX scheme provides for the tax exemption of distributed dividends and capital gains realized on the disposal of equity investments, in order to avoid double taxation of the income of investee companies. For further details, see the section "Principles of tax accounting in a nutshell".

Key figures in Germany

Companies	9
Revenues	342 M€
Tangible Assets	10 M€
Earnings Before Taxes (EBT)	-32 M€
Income Tax (CIT) Accrued	0.3 M€
Income Tax (CIT) Paid	1 M€
Employees	22
Average Wage per Employee	84,323 €
Average Tax Burden per Employee	27,334 €
Retained Earnings	-9 M€
Stated Capital	19 M€

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

17.7% **TTC to Turnover 2021**

Revenues **342 M€**

Taxes borne **0.9 M€**
Taxes collected **59.5 M€**

For every 100 euros of revenues generated in 2021, **17.7 euros** were used to pay taxes, of which **0.3 euro for Taxes borne** and **17.4 euros for Taxes collected**.

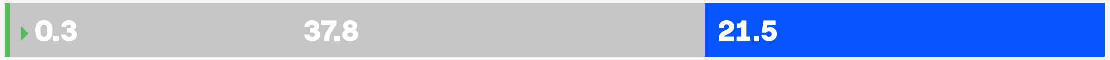
Germany's contribution to the Group's overall TTC was **1%**, amounting to around **60 million euros**. 1% of the Total Tax Contribution was represented by Taxes borne, while the remaining 99% by Taxes collected.

TTC: 60.4 M€

Taxes borne

▸ **0.9 M€**

Taxes collected

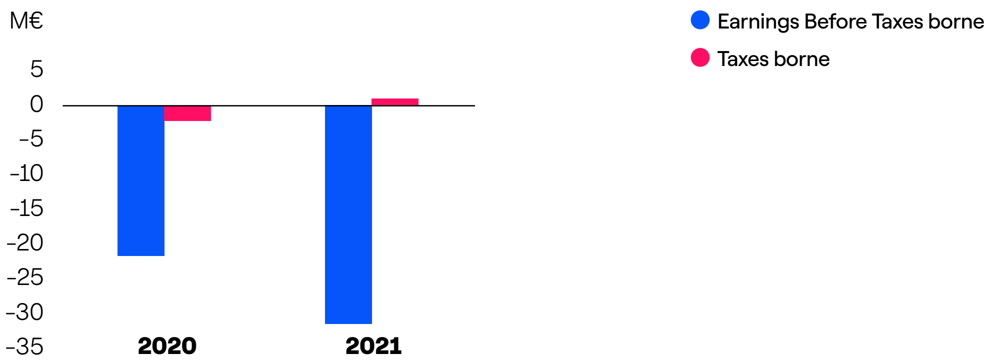


▸ **59.5 M€**

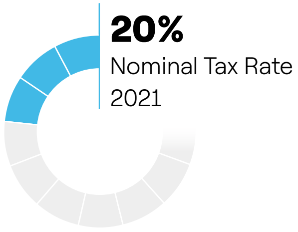
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

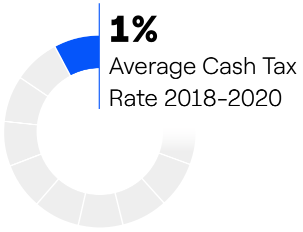
Indicators and trends of Total Tax Contribution in Germany

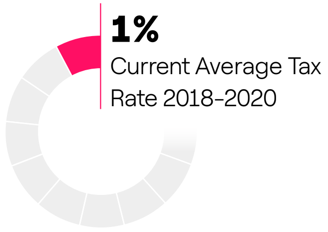
TT Rate trend



Corporate Tax Rate







Despite the presence of a **negative Earnings Before Taxes borne** in **2021**, due to an increase in the purchase price of energy on the market that was not reflected in the rates charged to customers, **Taxes borne** were nevertheless **paid**, **up** compared to 2020. In particular, the increase in Taxes borne was attributable to the trend in **Income Taxes**, which were negative in 2020 due to refunds received.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne. The 2018-2020 average values of the **Cash** and **Current Tax Rates** were mainly influenced by the presence of start-ups(73).

(73) The start-up phase represents the moment when a new enterprise commences its activities and coincides with the period in which the enterprise incurs a series of initial costs and makes its main investments.

Key figures in Panama

Companies	11
Revenues	155 M€
Tangible Assets	389 M€
Earnings Before Taxes (EBT)	109 M€
Income Tax (CIT) Accrued	38 M€
Income Tax (CIT) Paid	27 M€
Employees	94
Average Wage per Employee	44,593 €
Average Tax Burden per Employee	11,047€
Retained Earnings	174 M€
Stated Capital	372 M€

26% **TT Rate 2021**

Earnings Before Taxes borne **111 M€**

Taxes borne **29 M€**

In 2021, the TT Rate in Panama was **26%**. Earnings Before Taxes borne was **111 million euros** and the sum of Taxes borne **29 million euros.**

21% **TTC to Turnover 2021**

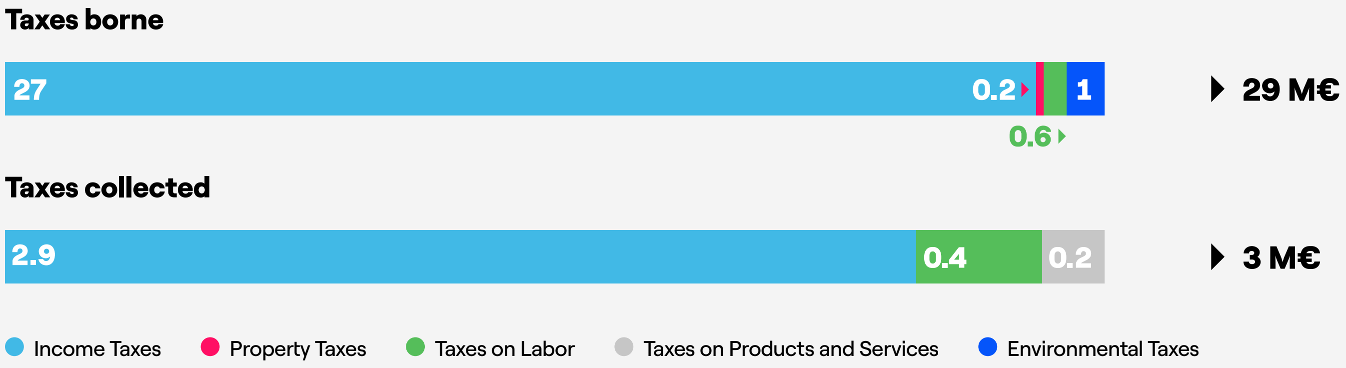
Revenues **155 M€**

Taxes borne **29 M€**
Taxes collected **3 M€**

For every 100 euros of revenues generated in 2021, **21 euros** were used to pay taxes, of which **19 Taxes borne** and **2 Taxes collected**.

The contribution of Panama to the Group's overall TTC was less than **1%**, amounting to **32 million euros**. 89% of the Total Tax Contribution was represented by Taxes borne, while the remaining 11% by Taxes collected.

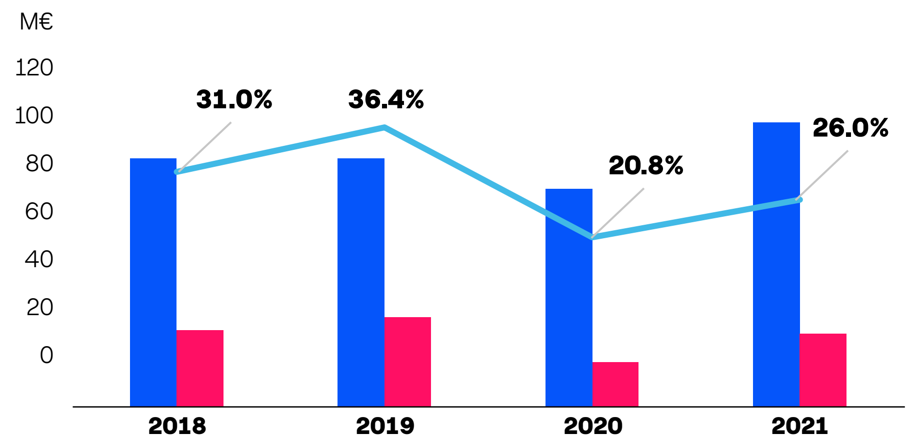
TTC: 32 M€(74)

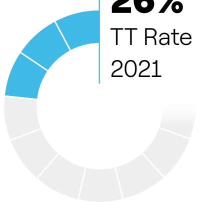


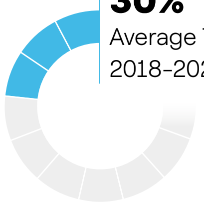
(74) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 0.02 million euros.

Indicators and trends of Total Tax Contribution in Panama

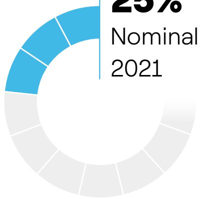
TT Rate trend

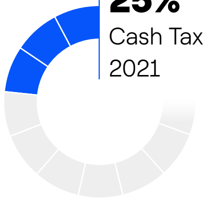


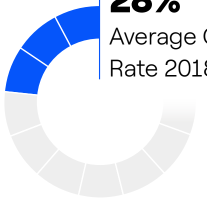

26%
TT Rate 2021

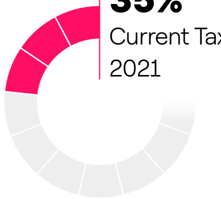

30%
Average TT Rate 2018-2020

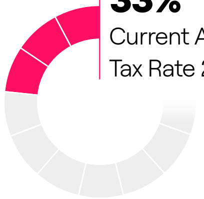
Corporate Tax Rate


25%
Nominal Tax Rate 2021


25%
Cash Tax Rate 2021


28%
Average Cash Tax Rate 2018-2020


35%
Current Tax Rate 2021


33%
Current Average Tax Rate 2018-2020

The **TT Rate** in 2021 was **lower** than the average value for the **2018-2020** period, due to a higher **Earnings Before Taxes borne** recorded in 2021, against **Taxes borne** that remained essentially in line with the **average** for the **2018-2020** period.
The **increase** in **Earnings Before Taxes borne** is attributable to (i) an increase in revenue from energy sales and (ii) a reduction in financial expenses.

The **Cash Tax Rate** 2021 was essentially in line with the average for the period 2018-2020, and was influenced by lower 2020 income-based payments than the current one. The **Current Tax Rate** 2021 is substantially in line with the average for the period 2018-2020. 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 hydro power plants in Central America, subject to a higher Nominal Tax Rate than the General Tax Rate of the country (30%).

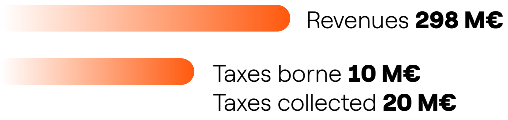
Key figures in Mexico

Companies	**26**
Revenues	**298 M€**
Tangible Assets	**1,340 M€**
Earnings Before Taxes (EBT)	**-17 M€**
Income Tax (CIT) Accrued	**4 M€**
Income Tax (CIT) Paid	**6 M€**
Employees	**356**
Average Wage per Employee	**42,310 €**
Average Tax Burden per Employee	**16,504 €**
Retained Earnings	**-25 M€**
Stated Capital	**1,585 M€**

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

10% **TTC to Turnover 2021**



For every 100 euros of revenues generated in 2021, **10 euros** were used to pay taxes, of which **3 Taxes borne** and **7 Taxes collected**.

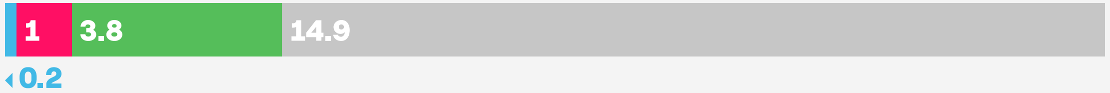
The contribution of Mexico to the Group's overall TTC was less than **1%**, amounting to **30 million euros**. 33% of the Total Tax Contribution was represented by Taxes borne, while the remaining 67% by Taxes collected.

TTC: 30 M€(75)

Taxes borne

10 M€

Taxes collected



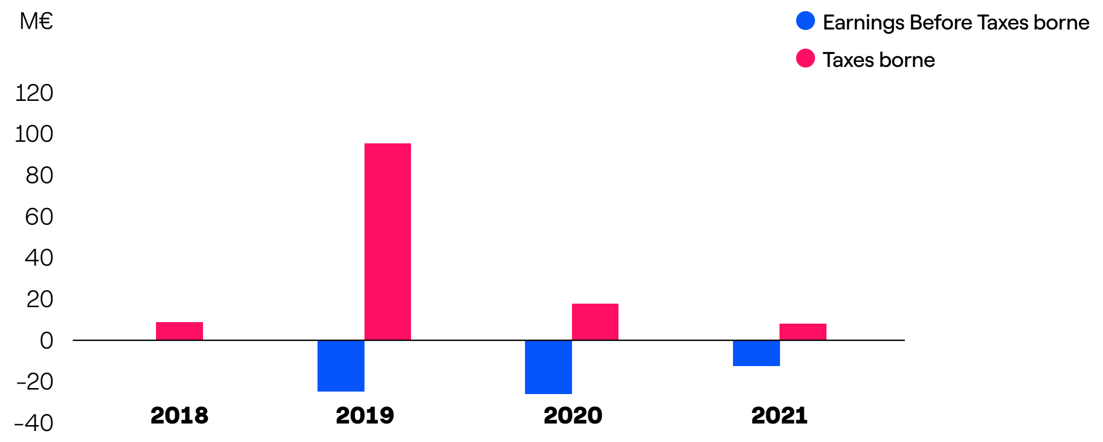
20 M€

Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(75) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 0.1 million euros.

Indicators and trends of Total Tax Contribution in Mexico

TT Rate trend



Despite the presence of a **negative Earnings Before Taxes borne** in 2021, mainly due to high operating expenses and financial charges, **Taxes borne were nevertheless paid**, albeit fewer than the average for the period 2018-2020, influenced by extraordinary events[76] that occurred in 2019 and 2020.

Corporate Tax Rate

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

(76) In 2019 and, to a lesser extent, in 2020, one-off Income Taxes were paid on (i) an extraordinary transaction and (ii) the realization of foreign exchange gains, respectively.

Key figures in Greece

Companies	12
Revenues	126 M€
Tangible Assets	604 M€
Earnings Before Taxes (EBT)	31 M€
Income Tax (CIT) Accrued	9 M€
Income Tax (CIT) Paid	10 M€
Employees	112
Average Wage per Employee	56,886 €
Average Tax Burden per Employee	26,187 €
Retained Earnings	-178 M€
Stated Capital	788 M€

54% **TT Rate 2021**

Earnings Before Taxes borne **44 M€**

Taxes borne **24 M€**

In 2021, the TT Rate in Greece was **54%**. Earnings Before Taxes borne was **44 million euros** and the sum of Taxes borne was **24 million euros**.

22% **TTC to Turnover 2021**

Revenues **126 M€**

Taxes borne **24 M€**
Taxes collected **4 M€**

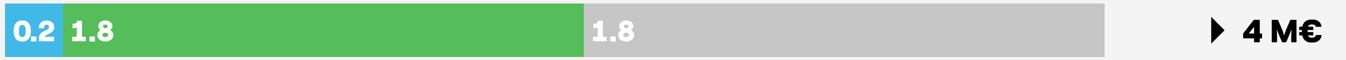
For every 100 euros of revenues generated in 2021, **22 euros** were used to pay taxes, of which **19 Taxes borne** and **3 Taxes collected**.

The contribution of Greece to the Group's overall TTC was less than **1%**, amounting to **28 million euros**. 86% of the Total Tax Contribution was represented by Taxes borne, while the remaining 14% by Taxes collected.

TTC: 28 M€

Taxes borne

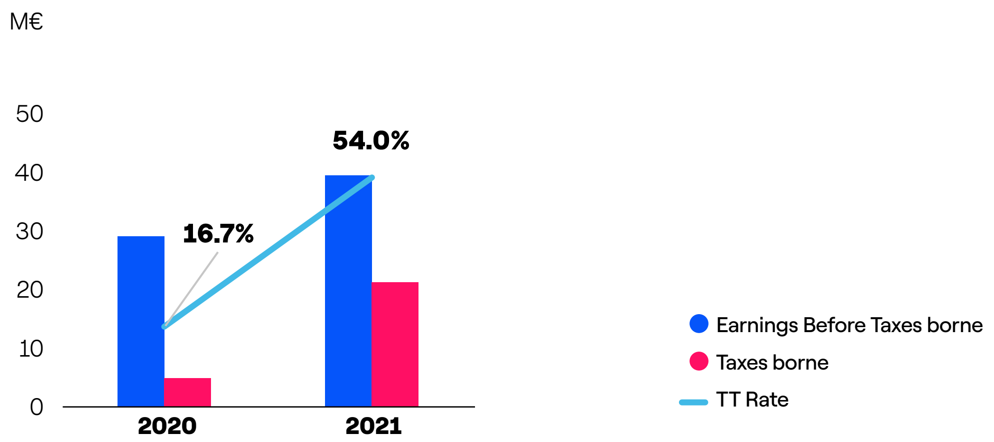
Taxes collected

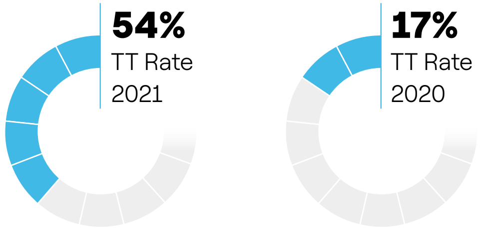


Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

Indicators and trends of Total Tax Contribution in Greece

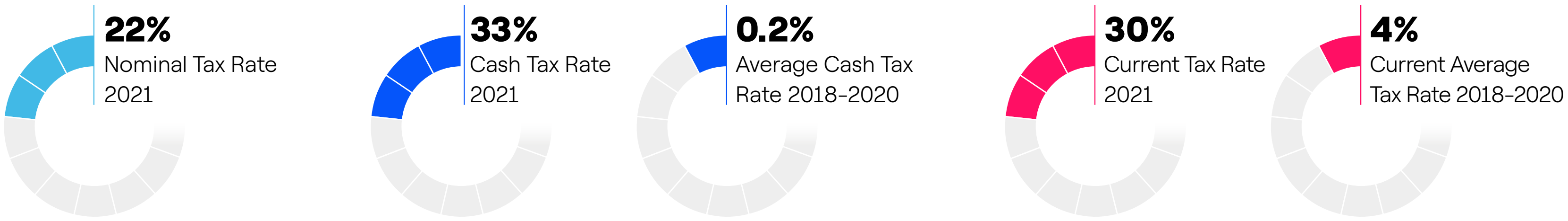
TT Rate trend





The **TT Rate** in 2021 was **higher** than in **2020** due to an **increase** in **Earnings Before Taxes borne**, **less** than **proportional** to the increase in **Taxes borne**.
The increase in **Earnings Before Taxes borne** is attributable to (i) higher revenues from the full commissioning of certain renewable energy generation plants previously in the start-up phase[(77)] and (ii) reversals of impairment losses on equity investments made in previous years.
The increase in **Taxes borne** is mainly the result of (i) **higher Income Taxes** due to the exhaustion of tax losses generated in the start-up phase and (ii) **higher Taxes on Products and Services** resulting from the reduction in 2021 of the payment terms of sales invoices in connection with which certain taxes were paid[(78)], as well as an extraordinary tax paid in 2021[(79)].

Corporate Tax Rate



The **Cash Tax Rate** in 2021 was higher than the average for the period 2018-2020 due to the generation of Taxable Income by 7 companies that have emerged from the start-up phase and the cash effect of which became apparent in 2021. The Cash Tax Rate 2021 was higher than the Nominal Tax Rate due to the payment on advance and on balance payment mechanisms. The **Current Tax Rate** was higher than the average for the 2018-2020 period due to the exhaustion of tax loss carry-forwards generated in the start-up phases.
The difference between the Current Tax Rate and the Nominal Tax Rate is mainly due to the partial non-deductibility of interest expenses related to the financing of activities.

(77) The Paliopyrgos plant (acquired in the second half of 2020), the Vamvakies plant (completed at the end of 2020) and the Kafireas plant (which had suspended production for about 2 months in 2020 due to adverse weather conditions).
(78) In Greece, the "local community fee" and the "interruptibility fee" are withheld at the time of payment. The reduction of payment deadlines between 2020 and 2021 for invoices therefore led to a natural increase in the related payments of these taxes.
(79) An extraordinary contribution of 6% of turnover paid by renewable energy generators in 2021.

Key figures in Russia

Companies	13
Revenues	576 M€
Tangible Assets	851 M€
Earnings Before Taxes (EBT)	39 M€
Income Tax (CIT) Accrued	0.01 M€
Income Tax (CIT) Paid	5 M€
Employees	1,465
Average Wage per Employee	20,039 €
Average Tax Burden per Employee	7,577 €
Utili non distribuiti	331 M€
Capitale dichiarato	997 M€

33% TT Rate 2021

Earnings Before Taxes borne **51 M€**

Taxes borne **17 M€**

In 2021, the TT Rate in Russia was **33%**. Earnings Before Taxes borne was **51 million euros** and the sum of Taxes borne **17 million euros**.

4% TTC to Turnover 2021

Revenues **576 M€**

Taxes borne **17 M€**
Taxes collected **4 M€**

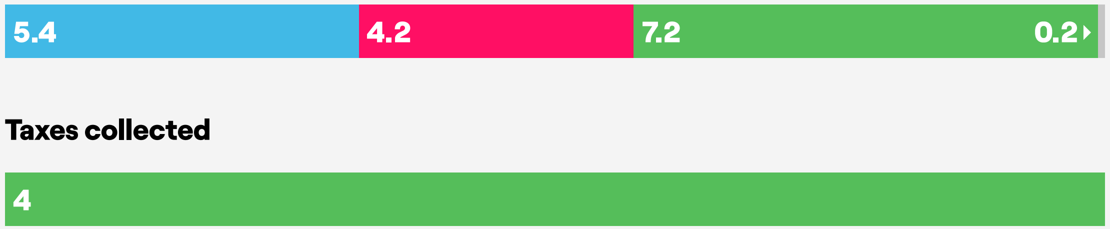
For every 100 euros of revenues generated in 2021, **4 euros** were used to pay taxes, of which **3 Taxes borne** and **1 Taxes collected**.

The contribution of Russia to the Group's overall TTC was less than **1%**, amounting to **21 million euros**. 81% of the Total Tax Contribution was represented by Taxes borne, while the remaining 19% by Taxes collected.

TTC: 21 M€(80)

Taxes borne

Taxes collected



17 M€

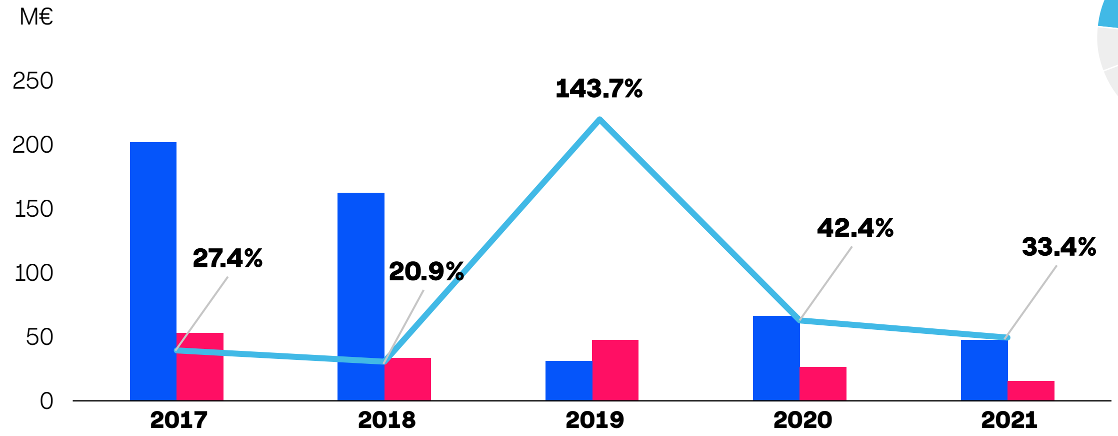
4 M€

Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

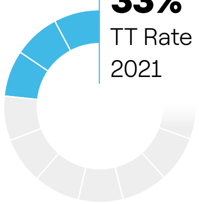
(80) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 10.9 million euros, of which 10.7 million euros for "Payment for water use".

Indicators and trends of Total Tax Contribution in Russia

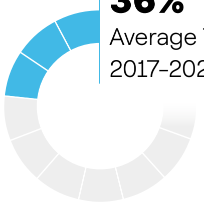
TT Rate trend



Earnings Before Taxes borne
Taxes borne
TT Rate



33%
TT Rate
2021

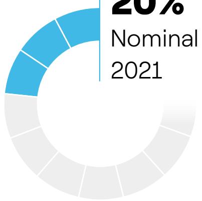


36%
Average TT Rate
2017-2020

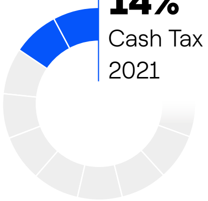
The **TT Rate** in 2021 was slightly lower than the average value for the period **2017-2020** due to a **decrease** in Earnings Before Taxes borne less than **proportional** to the decrease in Taxes borne.

The decrease in **Earnings Before Taxes borne** is attributable to (i) the reduction in sales margins caused by a reduction in sales prices, (ii) the increase in investments related to the decarbonization program adopted by the Group and the consequent transition from fossil fuel to renewable power generation, (iii) the loss from the sale of an asset, and (iv) the negative results of the Azov wind farm in the start-up phase.

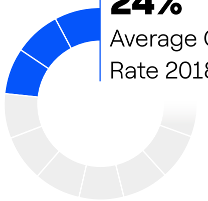
Corporate Tax Rate



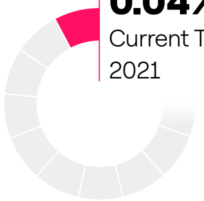
20%
Nominal Tax Rate
2021



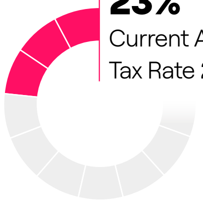
14%
Cash Tax Rate
2021



24%
Average Cash Tax
Rate 2018-2020



0.04%
Current Tax Rate
2021



23%
Current Average
Tax Rate 2018-2020

The decrease in **Taxes borne** is mainly the result of a **reduction in Income Taxes** owing to lower payments in 2021 due to an overpayment of past taxes. A further **reduction** was recorded in **Taxes on Labor**, down due to the mid-2020 dismissal of employees who worked at the Reftinskaya GRES plant, which was divested.

The **Cash Tax Rate** 2021 was lower than the average value for the period 2018-2020 and than the Nominal Tax Rate because of lower payments due to an excess of past payments recovered in the year. The **Current Tax Rate** deviated from the 2018-2020 average and the Nominal Tax Rate due to a tax loss generated in Enel Russia PJSC from the sale of thermoelectric assets at a price below their cost due to the current economic situation. This capital loss is related to an accounting impairment made in previous years and not deducted for tax purposes. Net of this extraordinary effect, the Current Tax Rate would have been in line with the average of previous years.

Key figures in Guatemala

Companies	6
Revenues	79 M€
Tangible Assets	340 M€
Earnings Before Taxes (EBT)	25 M€
Income Tax (CIT) Accrued	2 M€
Income Tax (CIT) Paid	2 M€
Employees	94
Average Wage per Employee	38,851 €
Average Tax Burden per Employee	3,632 €
Retained Earnings	190 M€
Stated Capital	249 M€

11% **TT Rate 2021**

Earnings Before Taxes borne **26 M€**

Taxes borne **3 M€**

In 2021, the TT Rate in Guatemala was **11%**. Earnings Before Taxes borne was **26 million euros** and the sum of Taxes borne **3 million euros**.

10% **TTC to Turnover 2021**

Revenues **79 M€**

Taxes borne **3 M€**
Taxes collected **5 M€**

For every 100 euros of revenues generated in 2021, **10 euros** were used to pay taxes, of which **4 Taxes borne** and **6 Taxes collected**.

The contribution of Guatemala to the Group's overall TTC was less than **1%**, amounting to **8 million euros**. 37% of the Total Tax Contribution was represented by Taxes borne, while the remaining 63% by Taxes collected.

TTC: 8 M€(81)

Taxes borne

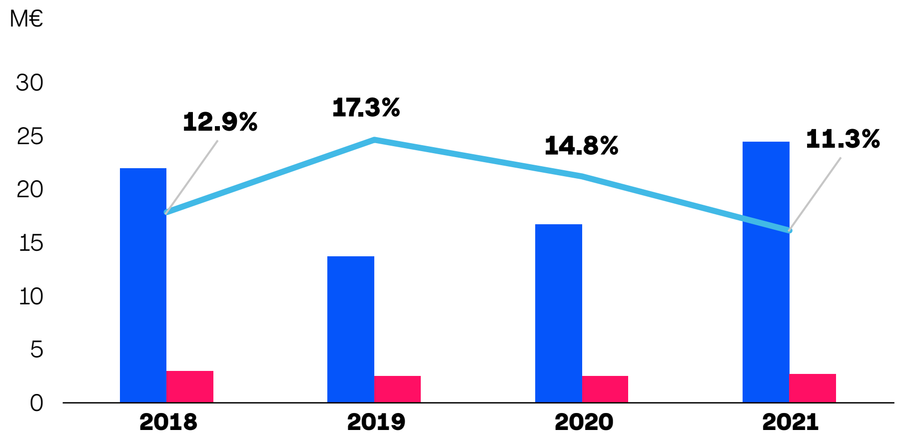
Taxes collected

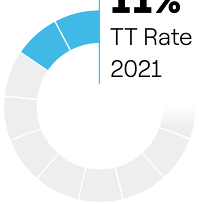
Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(81) In 2021, other payments were made to government authorities (not included in the TTC) amounting to 0.001 million euros.

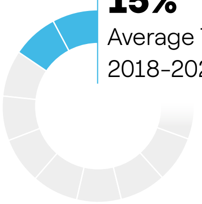
Indicators and trends of Total Tax Contribution in Guatemala

TT Rate trend





11%
TT Rate 2021

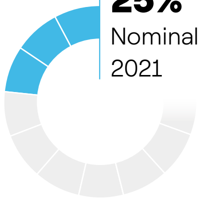


15%
Average TT Rate 2018-2020

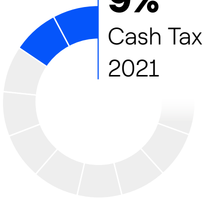
The **TT Rate** in 2021 was **lower** than the average value for the **2018-2020 period**, due to higher **Earnings Before Taxes borne** in 2021, against Taxes borne that remained essentially **stable** and in line with the **average** for the **2018-2020** period.

The **increase** in **Earnings Before Taxes borne** was mainly due to (i) the gradual return to operation of the Palo Viejo hydro power plant, which had suspended operations following Hurricane Eta, and (ii) insurance compensation received in 2021 for damage caused by that storm.

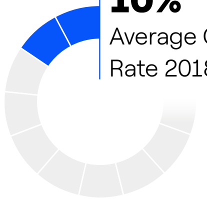
Corporate Tax Rate



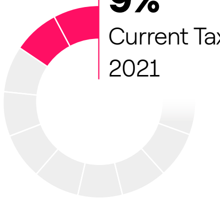
25%
Nominal Tax Rate 2021



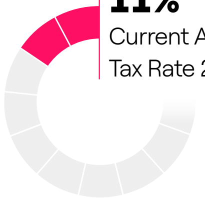
9%
Cash Tax Rate 2021



10%
Average Cash Tax Rate 2018-2020



9%
Current Tax Rate 2021



11%
Current Average Tax Rate 2018-2020

The **Cash Tax Rate** and **Current Tax Rate** in 2021 were essentially in line with their respective average figures for 2018-2020. The deviation of the two Rates from the Nominal Tax Rate 2021 is attributable to the presence of tax incentives applied in the renewable energy sector aimed at reducing the taxation applicable in the first years of operation[82].

(82) Some companies use the optional taxation scheme based on gross revenues rather than profit.

Key figures in Costa Rica

Companies	**6**
Revenues	**20 M€**
Tangible Assets	**27 M€**
Earnings Before Taxes (EBT)	**-169 M€**
Income Tax (CIT) Accrued	**0.1 M€**
Income Tax (CIT) Paid	**2 M€**
Employees	**36**
Average Wage per Employee	**47,210 €**
Average Tax Burden per Employee	**19,982 €**
Retained Earnings	**81 M€**
Stated Capital	**260 M€**

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

28% **TTC to Turnover 2021**

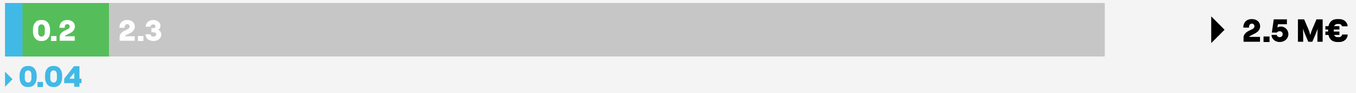
For every 100 euros of revenues generated in 2021, **28 euros** were used to pay taxes, of which **16 Taxes borne** and **12 Taxes collected**.

The contribution of Costa Rica to the Group's overall TTC was less than **1%**, amounting to **6 million euros**. 56% of the Total Tax Contribution was represented by Taxes borne, while the remaining 44% by Taxes collected.

TTC: 5.7 M€

Taxes borne

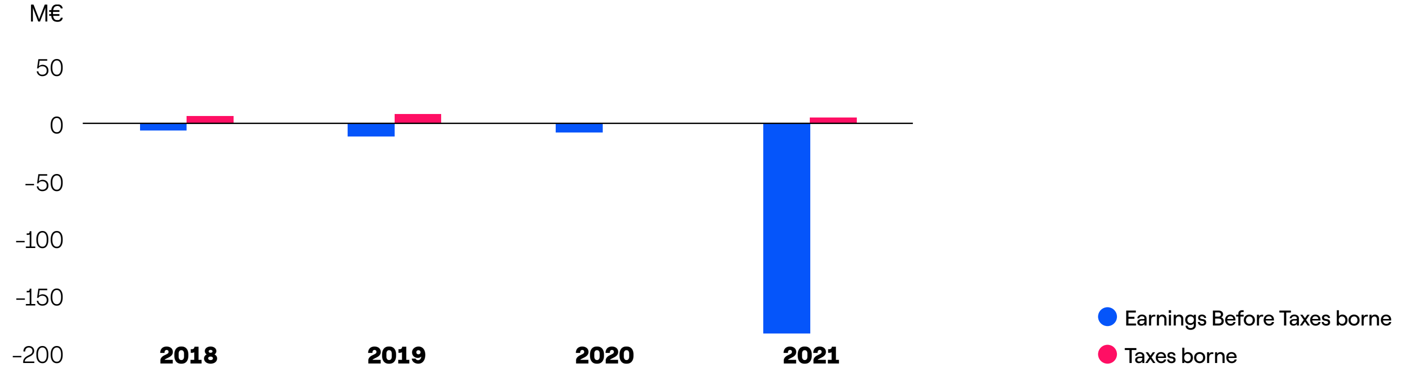
Taxes collected



Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

Indicators and trends of Total Tax Contribution in Costa Rica

TT Rate trend



Despite the presence of a **negative Earnings Before Taxes borne** in **2021**, mainly due to impairment losses related to the PH Chucas hydro power generation plant(83), **Taxes borne** were nevertheless **paid**, **up** compared to the **average** of the **2018-2020** period, impacting 2020 by way of Income Tax credits arising from overpayments made in 2019.

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

(83) Impairment loss of assets associated with the PH Chucas plant in Costa Rica were recognized to reflect the deterioration of its future profitability.

Key figures in South Africa

Companies	24
Revenues	141 M€
Tangible Assets	1,272 M€
Earnings Before Taxes (EBT)	-2 M€
Income Tax (CIT) Accrued	0 M€
Income Tax (CIT) Paid	0 M€
Employees	178
Average Wage per Employee	62,266 €
Average Tax Burden per Employee	20,741 €
Retained Earnings	-224 M€
Stated Capital	1,152 M€

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

3% **TTC to Turnover 2021**

Revenues **141 M€**

Taxes borne **0 M€**
Taxes collected **4 M€**

For every 100 euros of revenues generated in 2021, **3 euros** were used to pay taxes. Taxes borne in 2021 are not reported.

The contribution of South Africa to the Group's overall TTC was less than **1%**, amounting to **4 million euros**. The Total Tax Contribution is represented by 100% of the taxes collected.

TTC: 4 M€

Taxes borne

0 M€

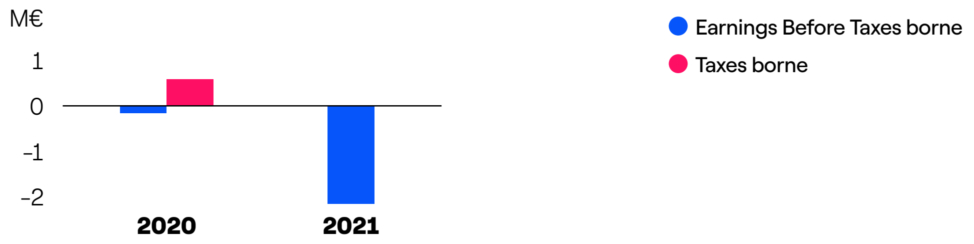
Taxes collected

4 M€

Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

Indicators and trends of Total Tax Contribution in South Africa

TT Rate trend



Against a **negative Earnings Before Taxes borne** in **2021**, mainly due to the presence of start-up entities[84], no **Taxes borne were paid**.

Corporate Tax Rate

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

Renewable projects in South Africa, which have been operational since 2015, had realized tax losses in the start-up phase that have so far zeroed out the tax liability and the associated cash outflow.

(84) The start-up phase represents the moment when a new enterprise commences its activities and coincides with the period in which the enterprise incurs a series of initial costs and makes its main investments.

Key figures in India

Companies	24
Revenues	22 M€
Tangible Assets	320 M€
Earnings Before Taxes (EBT)	-6 M€
Income Tax (CIT) Accrued	0.1 M€
Income Tax (CIT) Paid	0.4 M€
Employees	418
Average Wage per Employee	17,711 €
Average Tax Burden per Employee	2,176 €
Retained Earnings	-22 M€
Stated Capital	189 M€

N.A. **TT Rate 2021**

Due to the loss incurred, the TT Rate indicator has not been calculated and has been indicated as N.A.

12% **TTC to Turnover 2021**

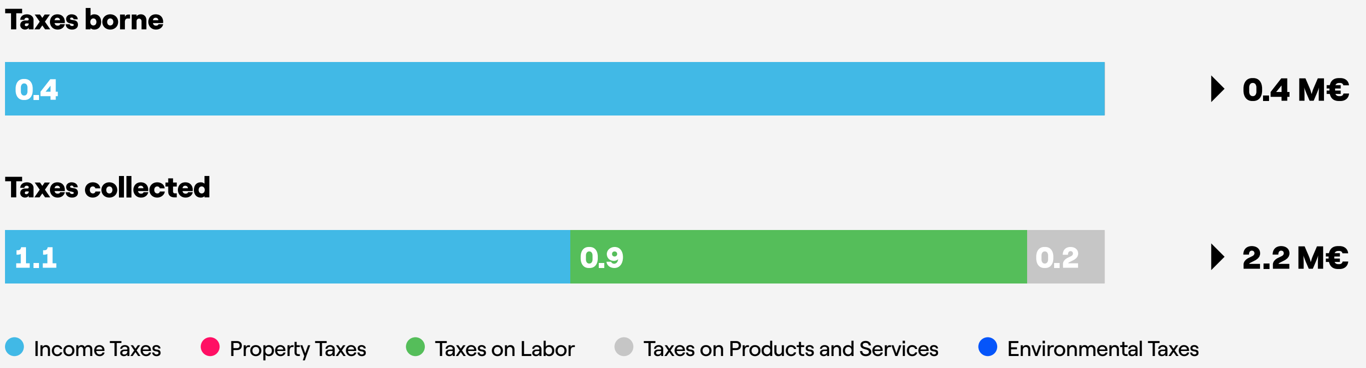
Revenues **22 M€**

Taxes borne **0.4 M€**
Taxes collected **2.2 M€**

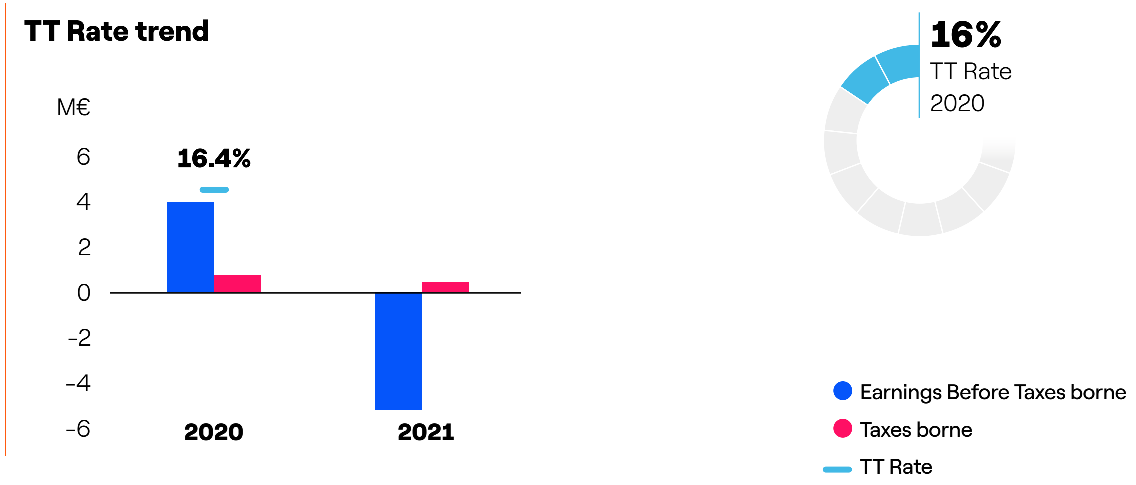
For every 100 euros of revenues generated in 2021, **12 euros** were used to pay taxes, of which **2 Taxes borne** and **10 Taxes collected**.

The contribution of India to the Group's overall TTC was less than **1%**, amounting to around **3 million euros**. 15% of the Total Tax Contribution was represented by Taxes borne, while the remaining 85% by Taxes collected.

TTC: 2.6 M€



Indicators and trends of Total Tax Contribution in India



Despite the presence of a **negative Earnings Before Taxes borne** in 2021, mainly due to the presence of start-up entities[85], **Taxes borne were nevertheless paid**, essentially **in line** with **2020**.

Corporate Tax Rate

Considering the negative Earnings Before Taxes, the ratios have not been calculated. The loss recorded in 2021 is attributable to the events already discussed above with reference to Earnings Before Taxes borne.

(85) The start-up phase represents the moment when a new enterprise commences its activities and coincides with the period in which the enterprise incurs a series of initial costs and makes its main investments.

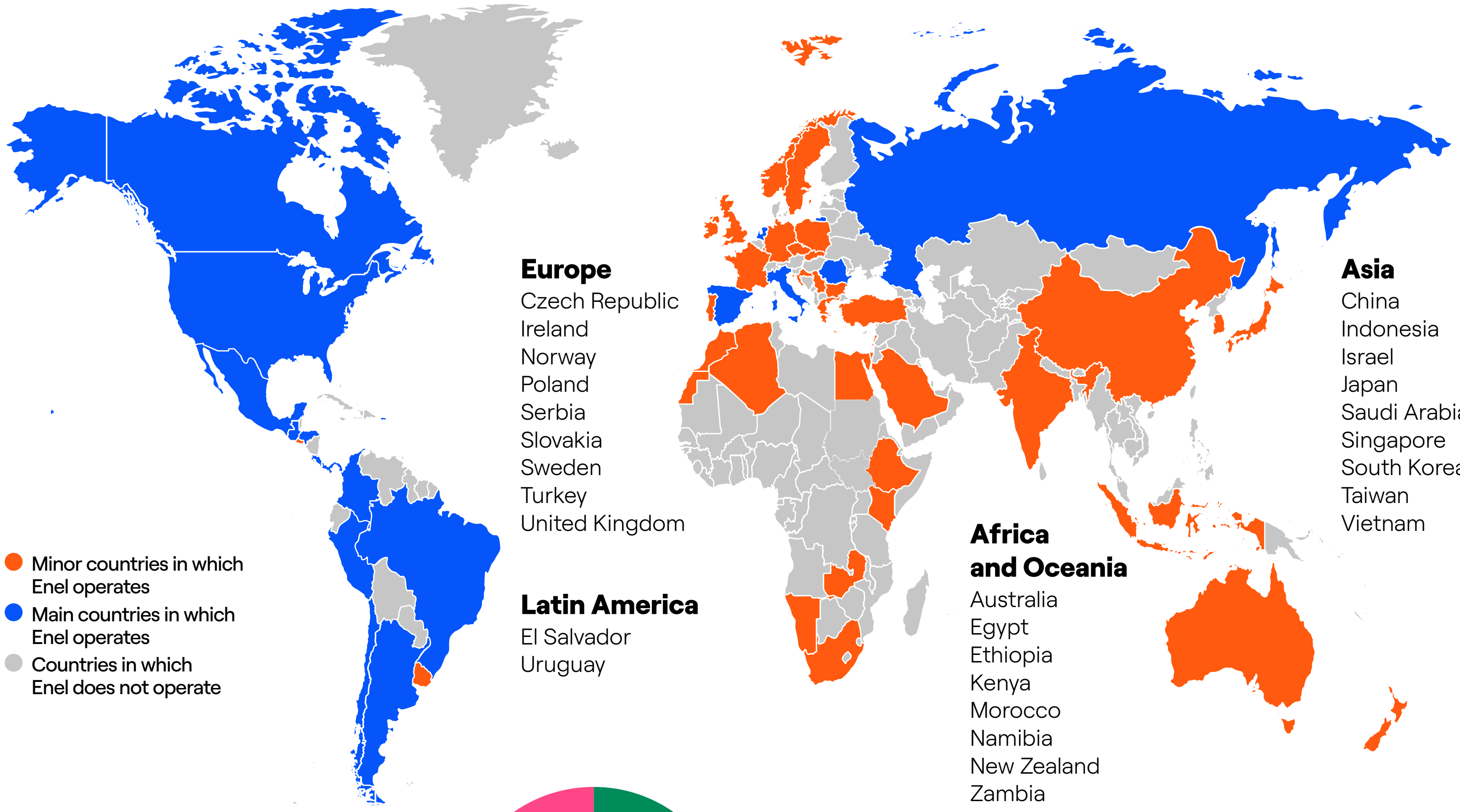
7. Analysis of data from minor countries

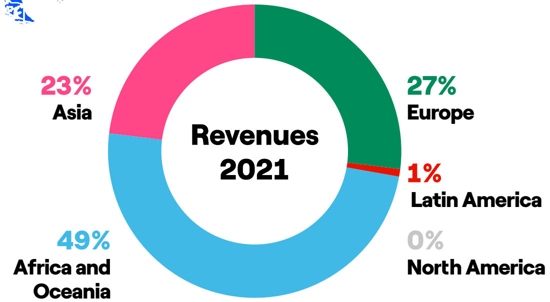
Details of the other countries in which Enel operates

For the sake of completeness, the following is a summary of minor countries, for which only Income Tax Accrued and Income Taxes paid are represented. Minor countries account for 0.2% of the Group's revenues.

Companies	**87**
Revenues	**179 M€**
Tangible Assets	**327 M€**
Earnings Before Taxes (EBT)	**-34 M€**
Income Tax (CIT) Accrued	**2 M€**
Income Tax (CIT) Paid	**-0.3 M€**
Employees	**323**
Retained Earnings	**-71 M€**
Stated Capital	**524 M€**

Minor countries in which Enel operates





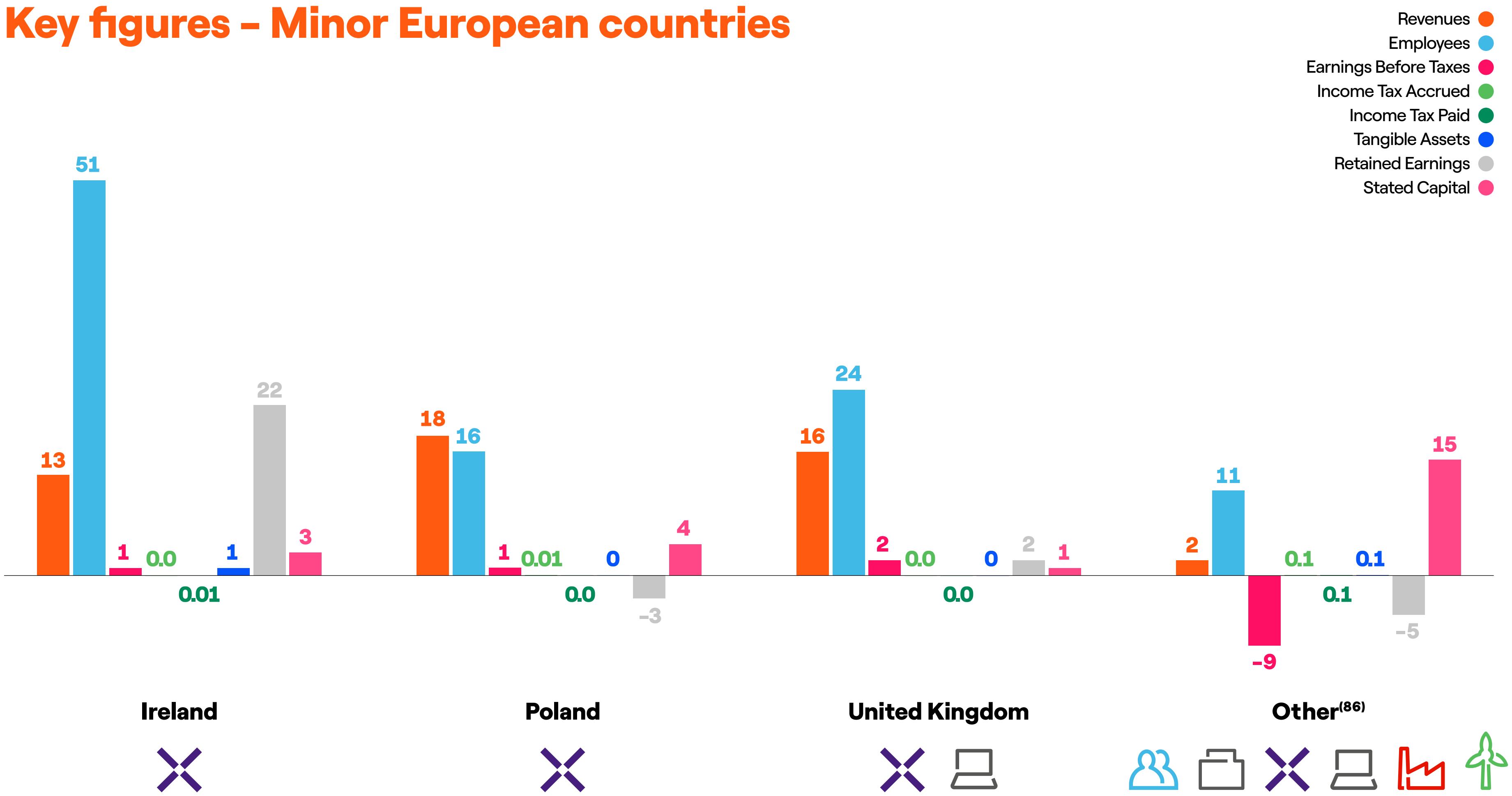
Key figures by geographical area – Europe

Key figures Europe

Revenues	49 M€
Tangible Assets	1 M€
Earnings Before Taxes (EBT)	-5 M€
Income Tax (CIT) Accrued	0.1 M€
Income Tax (CIT) Paid	0.1 M€
Employees	102
Retained Earnings	16 M€
Stated Capital	23 M€

Key figures – Minor European countries

(M€)



(86) The “Other” category includes the following countries: Czech Republic, Norway, Serbia, Slovakia, Sweden and Turkey.

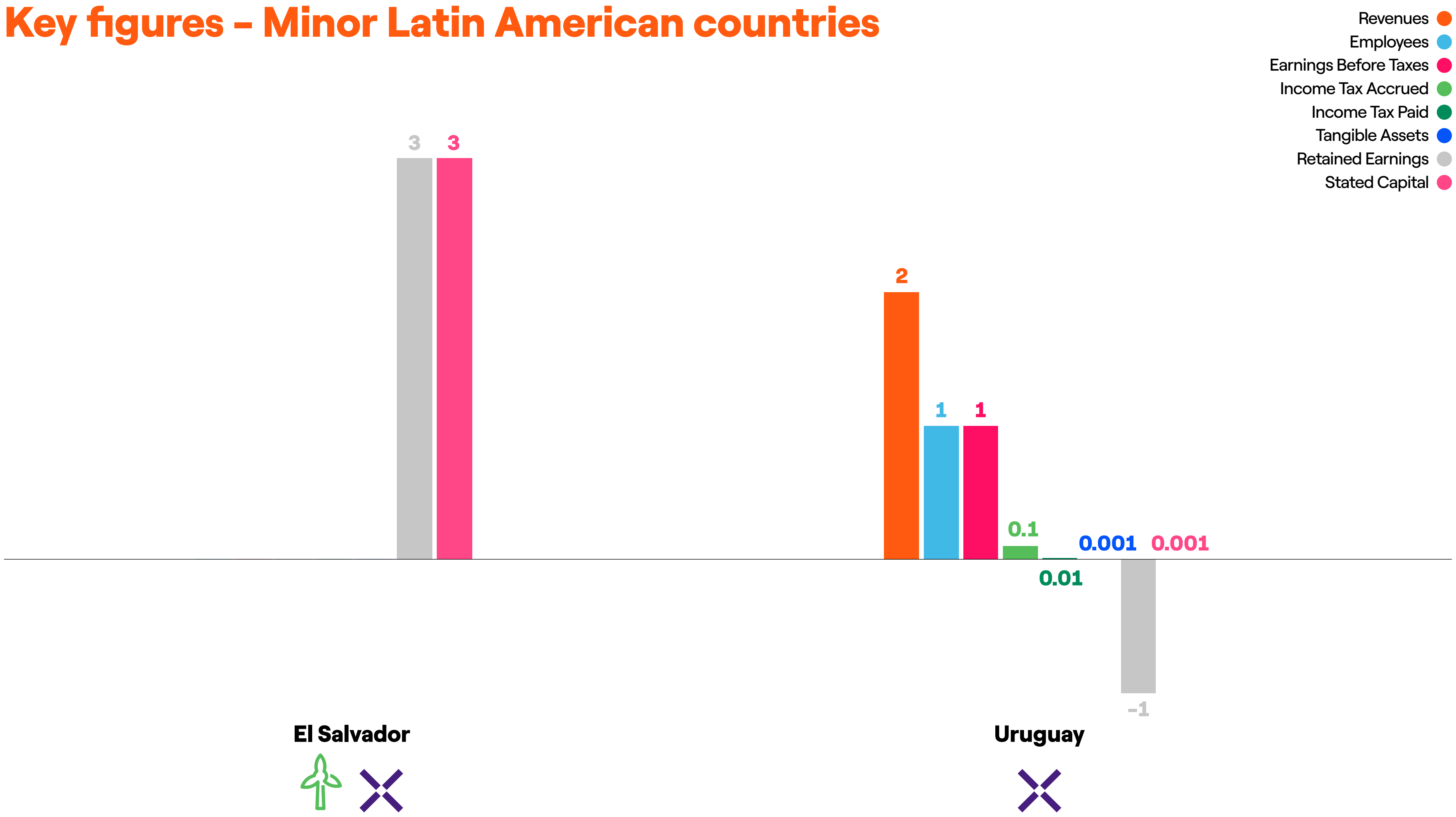
Key figures by geographical area – Latin America

Key figures Latin America

Revenues	2 M€
Tangible Assets	0 M€
Earnings Before Taxes (EBT)	1 M€
Income Tax (CIT) Accrued	0.1 M€
Income Tax (CIT) Paid	0.01 M€
Employees	1
Retained Earnings	2 M€
Stated Capital	3 M€

Key figures – Minor Latin American countries

(M€)

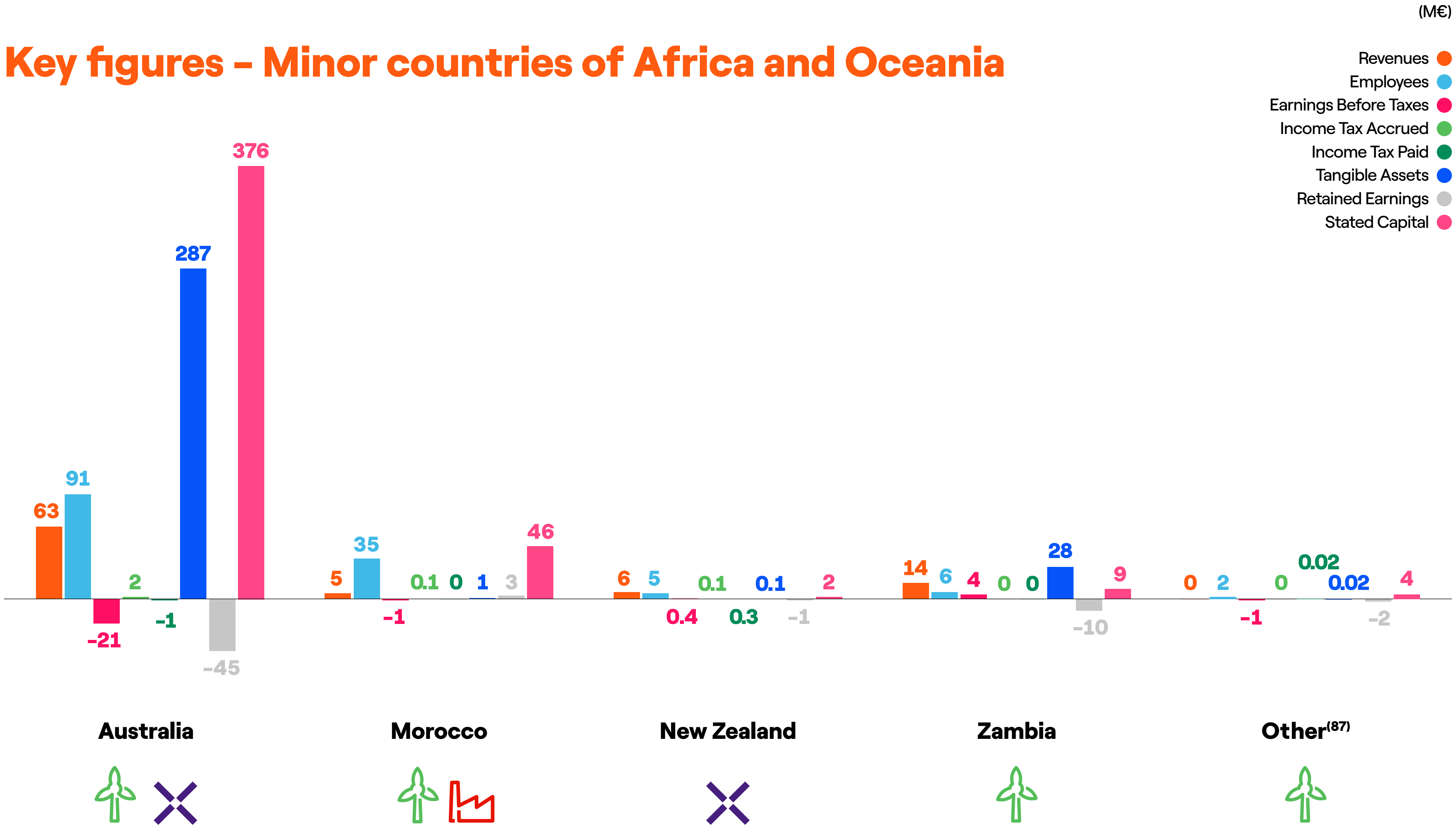


Key figures by geographical area – Africa and Oceania

Key figures Africa and Oceania

Revenues	89 M€
Tangible Assets	317 M€
Earnings Before Taxes (EBT)	-19 M€
Income Tax (CIT) Accrued	2 M€
Income Tax (CIT) Paid	-0.4 M€
Employees	139
Retained Earnings	-55 M€
Stated Capital	436 M€

Key figures – Minor countries of Africa and Oceania



(87) The "Other" category includes the following countries: Egypt, Ethiopia, Kenya and Namibia.

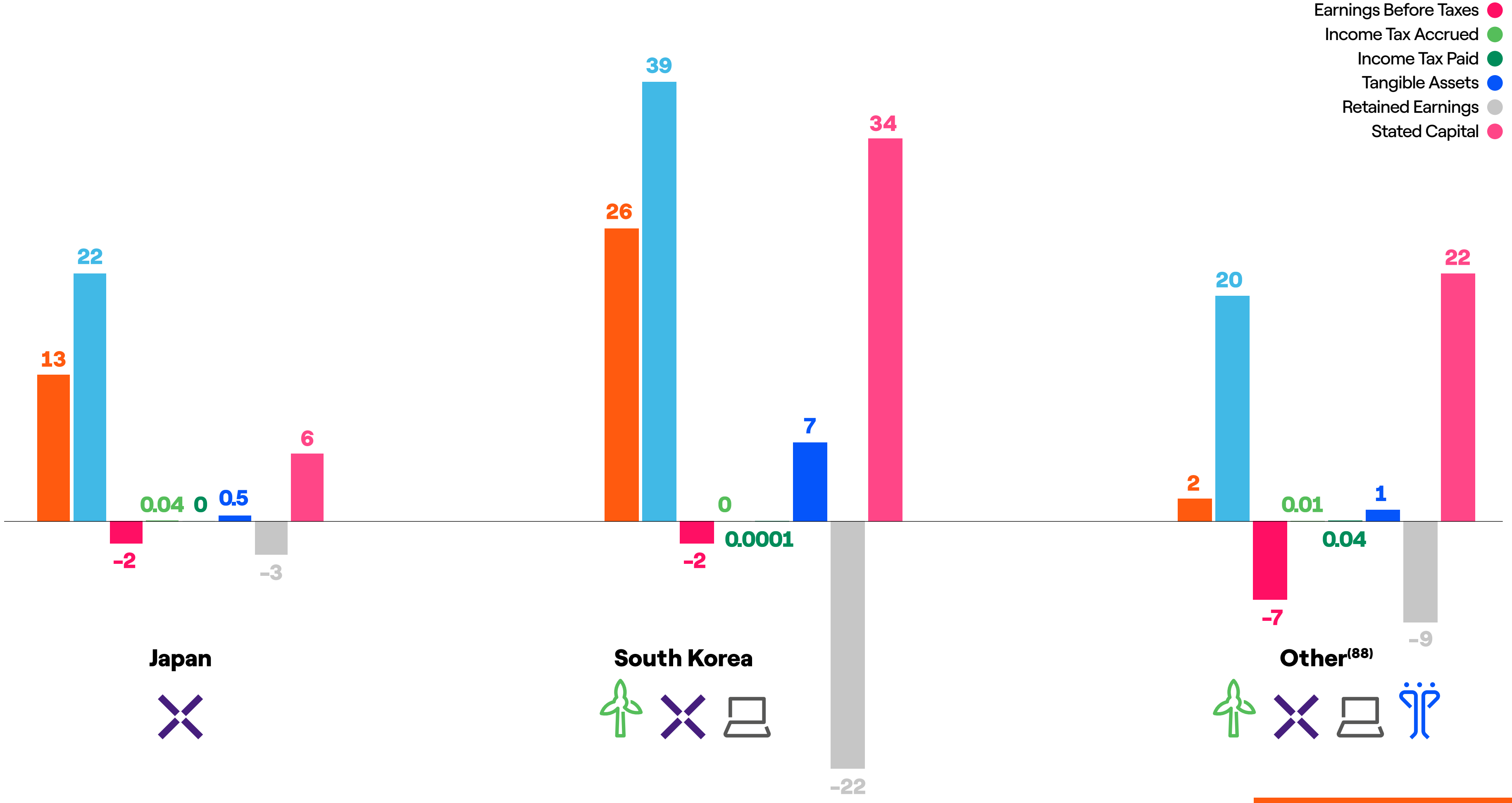
Key figures by geographical area – Asia

Key figures Asia

Revenues	40 M€
Tangible Assets	8 M€
Earnings Before Taxes (EBT)	-11 M€
Income Tax (CIT) Accrued	0.1 M€
Income Tax (CIT) Paid	0.04 M€
Employees	81
Retained Earnings	-34 M€
Stated Capital	61 M€

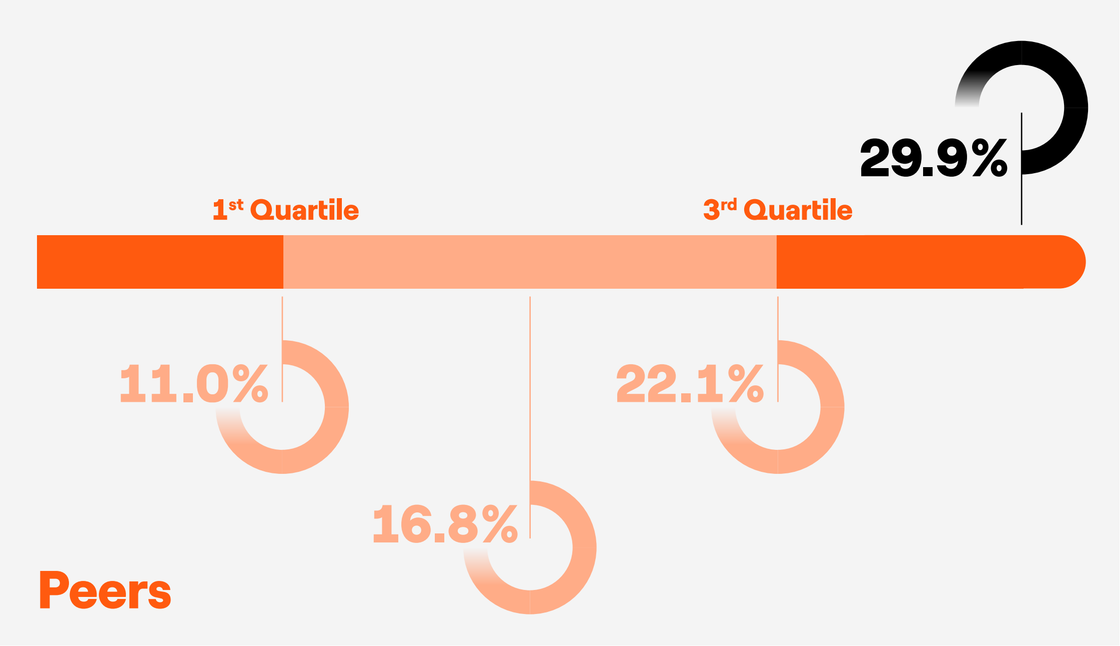
Key figures – Minor Asian countries

(M€)



(88) The "Other" category includes the following countries: China, Indonesia, Israel, Saudi Arabia, Singapore, Taiwan and Vietnam.

8. Comparative indicators



The **benchmark analysis** of Effective Tax Rate (**ETR**) was conducted by comparing the **Enel** Group's ETR with the same indicator of the top 20 global **Peers**[89] operating in the electricity industry.

As further detailed in Section "TTC Methodology", the **ETR** was calculated on the basis of information obtained from the publicly available Integrated Annual Report for 2021.

In 2021, the Enel Group's **ETR** was significantly higher than the median value of industry players.
Income Tax paid by the Enel Group in **2021**, as resulting from the Consolidated Financial Statements, amounted to **1,643 million euros**, equivalent to **29.9%** of Earnings Before Taxes (5,500 million euros), while Income Tax paid in **2020** amounted to **1,841 million euros**, equivalent to **33.7%** of Earnings Before Taxes (**5,463 million euros**).

The lower impact of Income Taxes on Earnings Before Taxes in 2021 was the result of the following permanent differences:

- the lower tax impact of extraordinary items compared to the previous year (431 million euros) taking into account the taxation associated with the revaluation of assets in Slovenské elektrárne;
- the application of the special "participation exemption" regime on the capital gains realized on the sale of the equity investment in Open Fiber (401 million euro);
- adjustments to deferred and current taxation as a result of the tax reforms approved by the Argentine and Colombian governments, which increased the tax rate from 25% to 35% in Argentina and from 30% to 35% in Colombia, respectively;
- the adjustment of the tax credits held by Enel Iberia (211 million euros);
- the tax effect from the application of hyperinflation in Argentina (49 million euros);
- the non-recognition of part of the deferred tax asset associated with the impairment losses of PH Chucas due to the uncertainty of its future recoverability (27 million euros);
- the reversal of a tax credit of Enel Green Power SpA (25 million euros) following the reorganization of the Enel Green Power Business Line in Latin America, which was completed in April 2021.

(89) The list of these companies is published by Value Today (https://www.value.today/world-top-companies/electric-utilities).

9. Appendix

Self-assessment

TTC Methodology

Methodology comparative indicators

Process support - PwC

Assumptions

Tax accounting principles in a nutshell

Glossary

Main data

Reconciliations with the 2021 Integrated Annual Report

Exchange rates in 2020 and 2021

Self-assessment

Assessment of the level of compliance with GRI 207, WEF and B Team Responsible Tax Principles.

The summary analysis below shows **Enel's complete alignment with the above international standards**, with background information in the Consolidated Annual Financial Report, the Sustainability Report and this Report.

GRI 207 Tax, the subject matter of self-assessment in this document, is also included in the Enel Group's Consolidated Non-Financial Statement for the year ending December 31, 2021. **This document has been subjected to a combined audit by KPMG SpA** in accordance with the relevant legislation (see KPMG SpA report dated April 14, 2022).

GRI 207: Tax

Disclosure of management methods – Reporting requirements		References
207-1 **Approach to tax**	The organization must disclose the following information: **a.** a description of the tax approach, including: **i.** whether the organization has a tax strategy and, if so, a link to that strategy, if publicly available; **ii.** the governing body or executive level resource within the organization that formally reviews and approves the tax strategy, and the frequency of such review; **iii.** the approach to regulatory compliance; **iv.** how the tax approach is linked to the organization's business and sustainable development strategies.	As of 2017, Enel has had a fiscal strategy approved by its Board of Directors. It is published on the company website[90] Sustainability Report – Fiscal Transparency (*Tax approach and tax governance, control and risk management*)
207-2 **Tax governance, control and risk management**	The organization must disclose the following information: **a.** a description of the governance and tax risk control model, including: **i.** the governing body or executive level resource within the organization responsible for tax strategy compliance; **ii.** the way in which the tax approach is integrated into the organization; **iii.** the approach to tax risks, including how said risks are identified, managed and monitored; **iv.** how compliance with the governance and tax risk control model is assessed;	Sustainability Report – Fiscal Transparency (*Tax governance, control and risk management*)
	b. a description of the mechanisms for reporting critical issues relating to unethical or unlawful behavior and organizational integrity in tax matters;	Sustainability Report – Fiscal Transparency (*Tax governance, control and risk management – Stakeholder reporting mechanism*) Code of Ethics
	c. a description of the assurance process with regard to tax disclosures and, if applicable, a reference to the assurance report.	Sustainability Report – Independent Auditor's Report
207-3 **Stakeholder engagement and management of concerns related to tax**	The organization must disclose the following information: **a.** a description of the approach to stakeholder engagement and management of their concerns in tax matters, including: **i.** the approach to relations with the tax authorities; **ii.** the approach to tax advocacy; **iii.** the processes for gathering and taking on board the opinions and concerns of stakeholders, including external ones.	Sustainability Report – Fiscal Transparency (*Transparent relations with stakeholders*)

(90) Enel website link: https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/strategia-fiscale.pdf.

Disclosure of management methods – Reporting requirements			References
207-4 Country-by-Country Reporting	The organization must disclose the following information: **a.** all tax jurisdictions in which the entities included in the organization's audited Consolidated Financial Statements, or in the financial information filed in public records, are resident for tax purposes; **b.** for each tax jurisdiction listed in Disclosure 207-4-a: **i.** names of resident entities; **ii.** main activities of the organization; **iii.** number of employees, and how this number is calculated; **iv.** revenue from sales to third parties; **v.** revenue from intercompany transactions with other tax jurisdictions; **vi.** Earnings Before Taxes; **vii.** tangible assets other than cash and cash equivalents; **viii.** Income Taxes of companies paid on a cash basis accounting; **ix.** Income Tax for companies accrued on profits/losses; **x.** reasons for the difference between the corporate Income Tax accrued on profits/losses and the tax due, if the statutory tax rate is applied on Earnings Before Taxes. **2.1** Reporting period **2.2** Reconciliations with Consolidated Financial Statements, Accrued Corporate Income Taxes, Stateless Entities	✓	Integrated Annual Report – Subsidiaries, associates and other significant equity investments of the Enel Group at December 31, 2021 Sustainability Report – Fiscal Transparency (*Reporting*)
207-4 Reporting recommendations	**2.3** The reporting organization should report the following additional information for each tax jurisdiction reported in Disclosure 207-4-a: **2.3.1** total employee remuneration; **2.3.2** taxes withheld and paid on behalf of employees; **2.3.3** taxes collected from customers on behalf of a tax authority; **2.3.4** industry-related and other taxes or payments to governments; **2.3.5** significant uncertain tax positions; **2.3.6** balance of intra-company debt held by entities in the tax jurisdiction, and the basis of calculation of the interest rate paid on the debt.	✓	Sustainability Report – Fiscal Transparency (*Reporting and tax approach*) Integrated Annual Report – Contingent assets and liabilities

World Economic Forum (WEF) Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation

Pillar 4/Theme	Metrics	KPI	References	
Prosperity **Community and social vitality**	Core	Total tax paid	✓	Integrated Annual Report - WEF Sustainability Report - Fiscal transparency (*Reporting*)
	Expanded	Additional tax remitted	✓	Sustainability Report - Fiscal transparency (*Reporting*)
	Expanded	Total tax paid by country for significant locations	✓	Sustainability Report - Fiscal transparency (*Reporting*)

B-TEAM

Responsible Tax Principles		Level of compliance	References
APPROACH TO TAX MANAGEMENT	**Principle 1 – Accountability & Governance** Taxation is a fundamental part of corporate accountability and governance and is overseen by the Board of Directors (the Board).	●	The strategy and tax principles approved by the Board are binding for all Group companies and are available on the website. In addition, a Tax Control Framework (TCF) and a Tax Risk Policy are in place.
	Principle 2 – Compliance We comply with the tax laws of the countries in which we operate and pay the appropriate amount of tax when it is due in the countries where we create value.	●	Based on our tax strategy, a series of internal rules, procedures and standards ensure full compliance with tax obligations. In addition, specific policies on tax risk and transfer pricing are in place.
	Principle 3 – Corporate Structure We will only use business structures that are driven by commercial considerations, that are aligned with business activity and that have genuine substance. We do not seek to bend the rules of tax systems.	●	The company structure and investments are driven solely by economic and strategic concerns. There is no use of countries considered to be tax havens with the sole purpose of reducing the Group's tax burden. The complete list of Group companies can be found in the Integrated Annual Report.
RELATIONSHIPS WITH OTHERS	**Principle 4 – Relations with the authorities** We seek, wherever possible, to develop cooperative relations with tax authorities, based on mutual respect, transparency and trust.	●	Full and active cooperation with the tax authorities. Promotion and endorsement of cooperative compliance schemes, wherever they exist.
	Principle 5 – Seek and accept tax incentives When we apply for tax incentives offered by government authorities, we try to ensure that they are transparent and consistent with statutory or regulatory purposes.	●	Use of tax incentives, generally applicable to all operators and complying with all specific regulations. Incentives are aligned with industrial and operational objectives and are consistent with the economic substance of investments.
	Principle 6 – Supporting effective tax systems We engage constructively in national and international dialog with governments, business groups and civil society to support the development of effective tax systems, legislation and administration.	●	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.
REPORTING TO STAKEHOLDERS	**Principle 7 – Transparency** We provide regular information to our stakeholders, including investors, policy makers, employees, civil society and the general public, about our approach to taxes and to taxes paid.	●	Enel believes in fiscal transparency as a factor that promotes sustainability and development in the countries where it operates. Detailed and regular information on all tax affairs is published on the company website.

● Compliant ● Partially compliant ● Non-compliant

TTC Methodology

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 is 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 basis accounting** criterion as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution. More specifically, the total tax data, as defined and detailed in what follows, is determined through the various taxes paid[(91)] by all the entities within the scope of each tax jurisdiction in the reporting year, regardless of the year to which the taxes refer.

In line with the approach adopted by the OECD[(92)] and the TTC Framework, the Tax Transparency Report hinges on two essential criteria:

- the definition of tax;
- the classification of the different taxes into categories by distinguishing 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 of the methodology adopted are the following:

1. The definition of a tax and the distinction between taxes that are an expense for the Enel Group and taxes that are collected by the Enel Group

Tax payments to government authorities with reference to items that, due to their characteristics, are essentially taxes even if, for historical or circumstantial reasons, they are not classified as such.

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

Taxes collected: these are the taxes that have been paid as a result of the economic activities of Enel, but that 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). These taxes are taken into account in the calculation of Enel's Total Tax Contribution, considering that these amounts result from the Group's activities.

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, while net VAT, which accounts for taxes incurred on products and services supplied by Enel, is considered as a Tax collected) or on account of 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).

(91) The data for taxes paid includes payments on advance, taxes for previous years, including after assessments, net of repayments and refunds obtained. Interest and penalties are not considered.

(92) Working Paper no. 32, "Legal tax liability remittance responsibility and tax incidence".

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 ("Legal Tax Liability") and as "collectors" of taxes on behalf of third parties ("Legal Remittance Responsibility") as described in the aforementioned Working Paper no. 32.

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

Total Tax Contribution has been used by companies in different jurisdictions. Since taxes have different designations in different countries, the following five macro-categories have been identified on the basis of which taxes, both borne and collected, can be classified – "**the five Ps**":

- **Profit – Income Taxes**: this category includes taxes on company income that can be both borne (e.g. tax on the income of companies at State or local level, taxes on production, solidarity contributions, tax levied on income deriving from specific activities such as the extraction of natural resources, the generation and sale of hydro energy 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 (for example, withholding taxes on interest income, royalties, subcontractors and suppliers). Income Taxes do not include taxes on dividends paid by Enel Group entities[93].
- **People – Taxes on Labor**: this category generally includes Taxes on Labor, comprising those on incomes and social welfare contributions. Taxes applied to the employer are considered Taxes borne (e.g. social welfare contributions, health insurance, pensions, disability contributions), while Income Taxes applied to workers are considered as Taxes collected (e.g. taxes on incomes of physical persons or social welfare contributions debited to workers that are normally withheld by the employer).
- **Products – Taxes on Products and Services**: indirect taxes applied on production, sale or use of goods and services, trade and international transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, regardless of the fact that they are paid to the supplier of the goods and services rather than directly to the government. This category includes both Taxes borne (e.g. taxes on consumption, turnover taxes, excise duties[94], customs duties, import duties, taxes on insurance contracts, non-deductible VAT) as well as Taxes collected (e.g. VAT paid, excise duties[95], taxes on goods and services).
- **Property – Property Taxes**: taxes on property, the use or transfer of property, plant and equipment or intangible assets. This category includes both Taxes borne (e.g. taxes on property and the use of real estate, capital tax applied on the increase of risk capital, taxes on the transfer, purchase or sale of assets, net equity and capital transactions, stamp duty, stamp duty for the transfer of real estate, stamp duty for the transfer of shares, taxes on financial transactions that imply loans or borrowings from a foreign source), and Taxes collected (e.g. taxes on leases collected by the lessor and paid to the government).
- **Planet – Environmental Taxes**[96]: these include taxes and duties on energy products (including fuel for vehicles), on motor vehicles and transport services, and on the supply, use or consumption of goods and services considered harmful to the environment, as well as the management of waste, noise, water, land, soil, forests, biodiversity, wild animals and fish stocks to be paid by the entity. Examples of Taxes borne: taxes on the value of the generation of electricity, taxes on the production of nuclear fuels and carbon tax. Examples of Taxes collected: taxes on electricity, taxes on hydrocarbons and duties on gas and electricity.

(93) In line with the reporting criteria applied to Revenues and to Earnings 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 OECD in the report "Guidance on the Implementation of Country-by-Country Reporting" published in December 2019, point II.7.
(94) With the exception of those recorded under environmental taxes (e.g. duties on gas and electric energy).
(95) With the exception of those recorded under environmental taxes (e.g. duties on gas and electric energy).
(96) 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 an environmental tax is "a tax whose tax base is a physical unit (or a proxy of it) that has a proven specific negative impact on the environment". All energy and transport taxes are included, whereas all taxes on Added Value are excluded. Source: https://stats.oecd.org/glossary/detail.asp?ID=6437.

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 amount 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 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 Taxes borne on products and services, since it represents a cost for the Group.

Methodology comparative indicators

The comparative analysis of the **Effective Tax Rate** or **ETR** was conducted by taking as a benchmark the top 20 companies operating globally in the power generation industry. The list of such companies is published periodically by Value Today and is compiled on the basis of market capitalization values[97].

NEXTERA ENERGY INC.
DUKE ENERGY CORPORATION
ENEL SPA
CHINA YANGTZE POWER CO LTD
SOUTHERN COMPANY
IBERDROLA SA
DOMINION ENERGY INC.
VERBUND AG
EXELON CORPORATION
PACIFICORP
NATIONAL GRID TRANSCO PLC
TC ENERGY CORPORATION
ORSTED A/S
AMERICAN ELECTRIC POWER COMPANY INC.
SEMPRA ENERGY
XCEL ENERGY INC.
RWE AG
EDF (ELECTRICITE DE FRANCE)
ENGIE
E.ON SE

The **ETR** was calculated as the ratio of (i) total Income Tax recognized in the balance sheet and (ii) Earnings Before Taxes. Information on these values was obtained from the Integrated Annual Reports for 2021, published on the websites of the various companies.

The ETR of the **Enel** Group was then compared with the same indicator of the remaining 19 benchmarked **Peers**.

For the purposes of comparison, the results of companies for which the Earnings Before Taxes and/or Income Tax values were negative have not been taken into account[98].

In terms of ETR, the results of **Peers** were represented on the basis of the interquartile range, which makes it possible to (i) eliminate distortions relating to any outliers and (ii) identify a range within which the average 50% of the results lie. The interquartile range consists of the following values:

- **1st Quartile (Q1)**: the value below which 25% of the results that make up the sample, arranged according to magnitude, fall;
- **Median**: mean or intermediate value of the results, arranged according to magnitude, that make up the sample;
- **3rd Quartile (Q3)**: value below which 75% of the results that make up the sample, arranged according to magnitude, fall.

(97) Market capitalization data as at January 2022.
(98) PacifiCorp and Xcel Energy Inc.

Process support – PwC

This Report has been prepared by the Enel Group with the support of PwC TLS Avvocati e Commercialisti, part of the PwC Network, which over the years has developed specific expertise in the area of governance and tax transparency.

This Report describes the Group's approach to tax governance and strategy of the Enel Group and reports financial, economic and tax information for each jurisdiction in which the Group operates (Country-by-Country Reporting), supplementing it with details on the Total Tax Contribution (TTC).

The disclosure of Total Tax Contribution (TTC) is based on an internationally recognized methodology that provides an immediate, concise and easily understandable measure of the Enel Group's economic and social contribution to public finances.

PwC TLS supported Enel in the collection*, aggregation and analysis of TTC data consistent with the Total Tax Contribution framework, developed by the PwC Network in collaboration with multinational groups.

In particular, for activities related to Total Tax Contribution, PwC TLS, with the support of the entities of the PwC International Network, provided support to the Enel Group in the following activities:

- definition of the taxonomy and connection of taxes with the taxonomy;
- data collection and aggregation;
- analysis of data from the main jurisdictions in which the Enel Group operates, using the main contribution indicators provided by the Total Tax Contribution framework (Total Tax Rate and TTC with respect to Revenues);
- analysis and explanation of the main TTC trends.

PwC TLS also supported Enel in carrying out the benchmark analysis by comparing the Effective Tax Rate (ETR) of the Enel Group with that of the leading multinational groups operating in the electricity sector.

*With reference to the support for data collection, it should be noted that the data were collected by the Enel Group through its information systems and internal procedures. PwC TLS aggregated and analyzed the information provided by Enel and verified the consistency of the trends and figures represented. However, the origin of this data has not been verified or audited by PwC TLS.

pwc PwC TLS

Assumptions

Source of economic and financial data: the data represented in this Report are expressed on the basis of IFRS-EU accounting principles adopted by the Group and are at stand-alone entity level. Subsequently, these data 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 where they enjoy fiscal autonomy) and not according to a logic of consolidation.

Entities within the scope: 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 on the part of the Ultimate Parent Entity (Enel SpA[99]). With reference to the list of companies in the Group and their activities, reference should be made to the specific disclosure in the Integrated Annual Report 2021[100].

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, Earnings Before Taxes, taxes accrued and taxes paid) have been converted into the euro at the average exchange rate of the currency, while balance sheet data (property, plant and equipment) have been converted into the euro at the exchange rate in force at year's end.

Rounding off: due to rounding off, numbers presented throughout this Report may not add up precisely to the totals indicated.

(99) 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).

(100) See Assonime circular no. 1/2021, *Gli obblighi di trasparenza in materia di tassazione nelle dichiarazioni non finanziarie secondo lo standard GRI 207* (Transparency obligations in the matter of taxation in Non-Financial Disclosures according to standard GRI 207), where it is clarified that it is possible to make reference to other sources (known as "incorporation by reference") such as the Directors' Report in the Consolidated Financial Statements or in the annexes for the list of Group companies and their main activities, and the Directors' Report or other sections of the NFD with regard to information already contained therein on uncertain tax positions and on any other information relevant for the purposes of GRI 207.

Tax accounting principles 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 as simple and schematic a manner as possible the complex 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 this Report.

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. Application of the Nominal Rate to the Earnings Before Taxes included in the financial statements yields the **Theoretical Taxes**. The latter may also differ greatly from **Current Taxes** accounted for in the financial statements as a consequence of a series of differences between the "**Profit (Loss) for the Year**" disclosed in the financial statements and the "**Taxable Income**" determined according to tax regulations. This is because the calculation of the Taxable Income usually takes place by making **upward** and/or **downward adjustments** to the Profit (Loss) for the Year, based on specific tax regulations in the different countries. The adjustments made to the result for the year 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 scheme 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 years subsequent to the one in which they are recognized in the financial statements. Examples of these temporary differences are the impairment loss of assets, the differences between the tax and book depreciation, the deductibility of provisions for risk and, more generally, the tax significance of certain expenses and revenues on cash basis accounting and not on an accrual basis.

Furthermore, other impacts on the recognition in the books of taxes may be caused by tax consolidation regimes[101] 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 of 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 (payments on advance and on balance) that occur at different times (even in subsequent years) and with calculation methods often based on historical data referring to previous periods.

(101) Tax consolidation is a taxation scheme granted to groups of companies, under which the group's results are consolidated for tax purposes.

Participation Exemption – PEX

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

These schemes meet the need to avoid the phenomena of economic double taxation, which would occur, for example, if a company's profits were first taxed in the hands of the company itself and then, if distributed as dividends, subjected again to Income Tax when in the hands of the 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 retained earnings already taxed or future profits of the same company that will be taxed once realized.

By providing for exemption of dividends and capital gains and non-deductibility of capital losses, these regimes generate **permanent differences** between Profit (Loss) for the year and Taxable Income.

Example – Capital gains under the PEX scheme: *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 an equity investment. The equity investment sold meets the requirements of the PEX scheme of the relevant tax jurisdiction, which provides for an exemption of 95%. The Nominal Tax Rate under the tax law of the company's country of residence 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).*

Impairment losses of fixed assets

The tax treatment of impairment losses of fixed assets provides, in most jurisdictions, 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.

All this results in a **temporary** mismatch between the book value of the asset and the tax value, which will be **recovered** in subsequent years through the so-called "**taxation downward adjustments**", equal to the difference between the accounting depreciation calculated on the depreciated cost (lower) and the tax depreciation calculated on the cost before depreciation (higher).

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 impairment losses: *In financial year x-1 a company purchases and enters in the balance sheet 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 an impairment loss of 300. The profit for the year of the company in financial year x and the following 3 years is 500. The Nominal Tax Rate under the tax law of the company's country of residence is 20%.*

Given a profit for the financial year x of 500, the company will have a Taxable Income of 800 (i.e. 500+300), due to the non-deductible impairment loss of 300 (i.e. ***upward adjustment*** *of 300). In compliance with 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 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 book depreciation (100) and (ii) the tax depreciation (200).*

*The Taxable Income for each of the 3 subsequent years will be 400 (i.e. 500-100) and the Current Taxes will be 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 (Loss) for the year*** *of 2,000 (i.e. 500*4) will be* ***equal*** *to the sum of the* ***Taxable Income*** *of 2,000 (i.e. 800+400*3).*

Loss carry-forward

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 allow tax losses accrued in previous years[102] (loss carry-forwards) to be deducted from income in one year, generating in the year of recovery a lower value of current and paid taxes compared to Theoretical Taxes.

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 (90) from the Profit (Loss) 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.

(102) Some jurisdictions provide for limits (which may be quantitative and/or temporal in nature) on loss carry-forwards.

Tax payments on advance and on balance

In terms of tax payment mechanisms, most countries provide for **payments on advance and on balance at later stages** (even in different tax periods) than the reporting year.
For example, in the case of Income Tax, many countries require that taxpayers pay their taxes in advance on a Taxable Income that has not yet been realized.
In such cases, **the calculation of tax payments on advance** generally takes place on a **historical basis** (historical method: the payments on advance are determined on the basis of the taxes due for one or more previous years) or on a **forecast basis** (forecast method: the payments on advance are determined on the basis of taxes estimated to be due for the current year).
The method of determining the tax payments on advance described above is **one of the main reasons** that explain the difference between Current Taxes and taxes paid, the trends of which will tend to align in the medium term.

Example – Payment of taxes on advance using the historical method:
In 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 of 0. In the financial year x, the company achieves a Taxable Income of 0.
The relevant tax jurisdiction provides for the payment of taxes on advance according to the historical method for an amount equal to 100% of the taxes due for the previous financial year and a on 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 100, the company has paid taxes of 50 (referring to the credit on balance of 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 on balance payment for the financial year x-2).*
- *Financial year x: although Current Taxes are 0, the company has obtained a refund of 100 (referring to the credit on balance of year x-1).*

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

Glossary

Average Tax Burden per Employee: an indicator representing the level of employment in relation to the relevant taxes. This indicator is calculated by dividing the total employment-related taxes (both borne and collected) by the number of employees (as defined above).

Capital(103): the sum of the book values of the share capital as shown in the financial statements of all entities within the scope in each tax jurisdiction.

Corporate Income Taxes paid: the sum of corporate Income Taxes paid in the reporting year by all entities within the scope in each tax jurisdiction, regardless of whether or not they relate to the current year.

Cross-border inter-company revenues: the sum of revenues from transactions carried out between entities within the scope resident in different jurisdictions in the tax reporting year, including income from extraordinary operations and excluding dividends(104).

Earnings Before Taxes: sum of Earnings Before Taxes of all entities within the scope in each tax jurisdiction generated in the reporting year.

Earnings Before Taxes borne: sum of Earnings Before Taxes borne of all entities within the scope in each tax jurisdiction generated in the reporting year. Earnings Before Taxes and Earnings Before Taxes borne include all items related to extraordinary revenues and costs(105). They exclude intercompany dividends in order to avoid double counting of dividends if profits are distributed in the form of dividends to other Group entities. This makes it possible to represent the objective amount of Earnings Before Taxes and Earnings 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 (known as "participation exemption").

Income Taxes Accrued for companies (Current Taxes): the sum of Current Taxes (i.e. for the year in progress) on Taxable Income in the reporting year of all entities within the scope in each tax jurisdiction, regardless of whether or not they have been paid. The data for these does not take account of provisions for tax payables that are not yet certain as regards either amount or existence, of adjustment of Current Taxes for previous years and of prepaid and deferred taxes.

Number of employees: the sum of the number of employees of all entities within the scope in each tax jurisdiction in the reporting year. The figure is calculated based on the head-count at the end of the period.

Other payments to government: these are payments made to government authorities 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. These include mining activities, royalties and license fees, etc.

Retained Earnings(103): this item represents the amount of net profit realized by the entities within the scope in each tax jurisdiction over the past years, net of dividends paid and any other reduction due to losses, capital increases, etc.

(103) The introduction of the disclosure of the items "Capital" and "Retained Earnings" further enriches the contents of OECD Country-by-Country Reporting. Furthermore, the introduction of this information, in particular that related to "Retained Earnings", complements the disclosure requirement of the provisions of Directive 2013/34 (as amended by Directive (EU) 2021/2101) on the publication of Income Tax information (the "Public CbCR"). This additional information provides the disclosure with this content in advance of what is required under Article 48-(8) of the above-mentioned Directive.
(104) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the payer.
(105) Consistent with the reporting criteria applied to Revenues, Earnings Before Taxes are indicated net of dividends paid by the companies within the scope (as also indicated by the OECD in the report "Guidance on the Implementation of Country-by-Country Reporting" published in 2019 point II.7).

Revenues[106]: the sum of Third Party Revenues and cross-border Intercompany Revenues accounted for by the entities within the scope in the pertinent tax jurisdiction in the reporting year.

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.

Third Party Revenues: the sum of Third Party Revenues accounted for by the entities within the scope in the pertinent tax jurisdiction in the reporting year. The term "revenues" is understood in the broadest possible sense[107] to include all revenues, comprising those from extraordinary operations.

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

Indicators

Cash Tax Rate: this represents the percentage incidence of the tax burden, expressed in terms of taxes paid, on the result for the year, and is calculated as the ratio of corporate Income Taxes paid to Earnings Before Taxes. It further indicates the portion of Earnings Before Taxes allocated to the payment of Income Taxes.

Current Tax Rate[108]: this represents the percentage incidence of the current (accounted for) tax burden on the result for the year and is calculated as the ratio of accrued corporate Income Taxes (Current Taxes) to Earnings Before Taxes.

Effective Tax Rate (ETR): this represents the percentage incidence of the tax burden (accounted for) on the result for the year and is calculated as the ratio of total Income Taxes recognized in the financial statements to Earnings Before Taxes. With respect to the Current Income Tax Rate, in addition to Current Taxes, it also considers among taxes (i) any provisions for tax liabilities not yet certain in their amount or existence, (ii) tax adjustments related to previous years, and (iii) deferred tax assets and liabilities.

Nominal Tax Rate (also Nominal Rate): meaning the rate set down in the relevant tax legislation for the purpose of taxing corporate income.

Total Tax Rate (TTR): provides a concise and complete measure of the burden for all taxes that the business has effectively paid and is calculated as a ratio between Taxes borne and profit before such taxes. It indicates the portion of Earnings Before Taxes allocated to the payment of taxes that represent a cost for the Group.

TTC with respect to turnover: this reflects the extent of the contribution made by the Group in relation to the size of its business and is calculated as the ratio between Total Tax Contribution (TTC) and turnover. It indicates the portion of turnover allocated to the payment of taxes, both borne and collected.

(106) Only for figures and indicators presented in the Netherlands country data sheet, the Revenues of the Group's main financial company (i.e. Enel Finance International NV) are represented by net banking 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 provided for in the application framework of the EU CRD IV Directive (e.g. Circular no. 285 of December 17, 2013 of the Bank of Italy).

(107) Specifically, also included are (i) other income, (ii) all extraordinary income (e.g. capital gains from the sale of real estate, unrealized capital gains/capital losses) and (iii) financial income (with the exception of dividends from other companies within the scope) or any extraordinary item. Revenues from Income Taxes (deriving from deferred tax liabilities or from tax consolidation) are excluded.

(108) Current Taxes and Taxes Paid are generally determined on the basis of a Taxable Income calculated from a Profit (Loss) for the year determined in accordance with local generally accepted accounting principles (GAAP), whereas the economic data presented in this Report are expressed on the basis of the IFRS-EU accounting standards adopted by the Group. The indicators listed above may therefore be affected by differences between the economic and financial data expressed on the basis of IFRS-EU accounting standards, adopted for the purposes of this Report, and those expressed on the basis of local GAAPs.

Main data

Europe

EUROPE – Main countries	UM	France	Germany	Greece	Italy	Netherlands	Portugal	Romania	Russia	Spain	TOTAL 2021	TOTAL 2020	2021-2020	%
Taxes borne (cash basis accounting)		**0.5**	**0.9**	**23.9**	**1,480.5**	**50.3**	**10.9**	**28.1**	**16.9**	**1,063.9**	**2,675.9**	**2,921.4**	**-245.6**	**-8%**
Income Taxes	M€	-1.4	0.6	10.2	763.4	49.3	10.1	19.0	5.4	189.4	**1,045.9**	1,013.8	32.1	3%
Corporate Income Tax Paid	M€	*-0.9*	*0.6*	*10.2*	*763.4*	*49.3*	*10.1*	*19.0*	*5.4*	*159.9*	***1,016.9***	*988.4*	*28.5*	*3%*
Property Taxes	M€	–	–	2.0	148.3	–	0.0	4.0	4.2	96.5	**255.0**	228.6	26.4	12%
Taxes on Labor	M€	2.0	0.3	1.2	531.8	0.2	0.8	2.7	7.2	132.4	**678.5**	677.6	1.0	0%
Taxes on Products and Services	M€	0.0	–	10.5	4.7	0.9	–	2.4	0.0	194.8	**213.3**	212.6	0.7	0%
Environmental Taxes	M€	0.0	–	–	32.2	–	–	0.1	0.0	450.8	**483.1**	788.8	-305.7	-39%
Taxes collected (cash basis accounting)		**82.0**	**59.5**	**3.8**	**2,974.7**	**28.1**	**149.0**	**202.8**	**3.9**	**1,455.2**	**4,959.1**	**8,517.6**	**-3,558.5**	**-42%**
Income Taxes	M€	–	–	0.2	2.4	–	–	–	–	100.8	**103.4**	77.9	25.5	33%
Property Taxes	M€	–	–	–	–	–	–	–	–	0.2	**0.2**	–	0.2	
Taxes on Labor	M€	0.9	0.3	1.8	607.7	0.7	1.4	36.6	3.9	236.3	**889.6**	883.5	6.1	1%
Taxes on Products and Services	M€	36.4	37.8	1.8	934.9	15.0	134.7	166.1	–	744.4	**2,071.1**	5,555.4	-3,484.3	-63%
Environmental Taxes	M€	44.7	21.5	0.0	1,429.7	12.4	12.9	–	–	373.6	**1,894.9**	2,000.8	-106.0	-5%
Total Tax Contribution - TTC (cash basis accounting)	M€	**82.5**	**60.4**	**27.7**	**4.455,2**	**78.4**	**159.9**	**230.9**	**20.8**	**2,519.1**	**7,635.0**	**11,439.1**	**-3,804.1**	**-33%**
Economic data	**UM**	**France**	**Germany**	**Greece**	**Italy**	**Netherlands**	**Portugal**	**Romania**	**Russia**	**Spain**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	461.2	259.9	122.9	43,767.4	2,317.7	1,088.5	1,619.2	570.2	25,415.0	**75,621.9**	61,737.2	13,884.7	22%
Cross-Border Intercompany Revenues	M€	31.1	82.0	3.5	9,240.0	903.9	211.8	92.4	6.3	4,926.5	**15,497.6**	4,841.3	10,656.2	220%
Earnings Before Taxes	M€	-3.1	-31.7	30.6	2,534.5	-1,268.8	36.0	13.6	39.1	2,368.5[109]	**3,718.6**	3,811.5	-92.9	-2%
Corporate Income Tax Accrued	M€	0.0	0.3	9.1	1,107.2	10.4	4.7	7.5	0.0	227.0	**1,366.2**	1,263.9	102.3	8%
Wages and Salaries	M€	4.7	1.9	6.4	1,658.1	1.9	2.4	82.1	29.4	687.9	**2,474.7**	2,423.0	51.7	2%
Tangible Assets	M€	40.8	9.6	603.9	28,781.5	0.1	33.6	1,985.1	851.0	24,142.5	**56,448.1**	54,462.4	1,985.7	4%
Number of Employees	#	68	22	112	30,256	20	74	3,291	1,465	9,376	**44,684**	44,722	-37	0%
Retained Earnings	M€	-2.0	-9.2	-178.0	22,782.7	10,236.4[110]	4.9	1,209.3	331.3	31,937.9[111]	**66,313.3**	56,193.3	10,119.9	18%
Stated Capital	M€	5.5	19.4	788.5	43,051.2	2,042.0	0.4	1,137.1	996.9	20,934.5	**68,975.4**	65,945.4	3,030.0	5%
TTC Rate	%	N.A.	N.A.	54.0%	45.5%	N.A.	29.6%	123.7%	33.4%	32.5%				
TTC Ratio to Turnover	%	16.8%	17.7%	21.9%	8.4%	N.A.	12.3%	13.5%	3.6%	8.3%				
Taxes borne in relation to Revenues	%	0.1%	0.3%	18.9%	2.8%	N.A.	0.8%	1.6%	2.9%	3.5%				
Taxes collected in relation to Revenues	%	16.7%	17.4%	3.0%	5.6%	N.A.	11.5%	11.8%	0.7%	4.8%				

(109) In order to offer a more realistic representation of the value created in the Country, the value shown for Earnings Before Taxes was indicated without consideration of an extraordinary valuation component of 9.9 billion euros booked in 2021. This valuation component (not fiscally relevant) is the result of the reversal of an impairment loss of the equity investment in Endesa SA by Enel Iberia Srl, which was carried out in compliance with the international accounting principles, in order to nullify the conditions that generated an impairment loss in 2014 following the sale by Endesa SA of companies held in Latin America.

(110) This amount includes 9,845 million euros of capital reserves generated by recapitalization operations of Dutch companies.

(111) The item also includes the effects of Purchase Price Allocation processes, related to the acquisition of the Endesa Group carried out in previous years in application of IFRS 3, amounting to 6,778 million euros and capital reserves amounting to 5,700 million euros.

North America

NORTH AMERICA – Main countries							
	UM	USA and Canada	Mexico	TOTAL 2021	TOTAL 2020	2021-2020	%
Taxes borne (cash basis accounting)		**47.6**	**9.9**	**57.5**	**62.3**	**-4.8**	**-8%**
Income Taxes	M€	1.4	6.4	**7.8**	19.0	-11.2	-59%
Corporate Income Tax Paid	M€	*1.4*	*6.4*	***7.8***	*19.0*	*-11.2*	*-59%*
Property Taxes	M€	37.6	0.0	**37.6**	32.9	4.6	14%
Taxes on Labor	M€	8.4	2.1	**10.5**	8.6	1.9	23%
Taxes on Products and Services	M€	0.3	1.3	**1.6**	1.7	-0.1	-4%
Environmental Taxes	M€	–	0.0	**0.0**	0.2	-0.1	-81%
Taxes collected (cash basis accounting)		**45.9**	**19.9**	**65.8**	**67.3**	**-1.5**	**-2%**
Income Taxes	M€	–	0.2	**0.2**	0.6	-0.4	-60%
Property Taxes	M€	–	1.0	**1.0**	0.7	0.3	48%
Taxes on Labor	M€	45.4	3.8	**49.2**	48.9	0.4	1%
Taxes on Products and Services	M€	0.4	14.9	**15.3**	17.2	-1.8	-11%
Environmental Taxes	M€	–	–	**–**	–	–	0%
Total Tax Contribution – TTC (cash basis accounting)	M€	**93.5**	**29.8**	**123.3**	**129.6**	**-6.3**	**-5%**
Economic data	**UM**	**USA and Canada**	**Mexico**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	1,457.6	294.4	**1,752.0**	1,435.6	316.4	22%
Cross-Border Intercompany Revenues	M€	19.9	4.0	**23.9**	27.7	-3.8	-14%
Earnings Before Taxes	M€	124.8	-17.1	**107.7**	168.9	-61.2	-36%
Corporate Income Tax Accrued	M€	-6.3	3.6	**-2.8**	8.7	-11.5	-132%
Wages and Salaries	M€	173.4	15.1	**188.5**	170.6	17.9	10%
Tangible Assets	M€	10,069.5	1,339.8	**11,409.3**	8,512.7	2,896.6	34%
Number of Employees	#	1,558	356	**1,914**	1,641	273	17%
Retained Earnings	M€	937.9	-24.5	**913.4**	805.3	108.1	13%
Stated Capital	M€	15,798.6	1,584.7	**17,383.3**	12,434.4	4,948.9	40%
TTC Rate	%	27.8%	N.A.				
TTC Ratio to Turnover	%	6.3%	10.0%				
Taxes borne in relation to Revenues	%	3.2%	3.3%				
Taxes collected in relation to Revenues	%	3.1%	6.7%				

Latin America

LATIN AMERICA – Main countries													
	UM	**Argentina**	**Brazil**	**Chile**	**Colombia**	**Costa Rica**	**Guatemala**	**Panama**	**Peru**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Taxes borne (cash basis accounting)		**59.8**	**656.2**	**154.0**	**365.0**	**3.2**	**2.9**	**28.8**	**122.8**	**1,392.7**	**1,275.3**	**117.4**	**9%**
Income Taxes	M€	29.0	199.2	120.6	266.8	2.5	2.4	27.0	106.2	**753.9**	574.9	179.0	31%
Corporate Income Tax Paid	M€	*25.0*	*199.2*	*120.6*	*249.2*	*1.6*	*2.3*	*26.9*	*106.1*	***730.9***	*552.5*	*178.4*	*32%*
Property Taxes	M€	1.3	11.4	3.2	1.5	0.1	0.2	0.2	0.9	**18.9**	18.0	0.9	5%
Taxes on Labor	M€	18.3	56.1	–	12.2	0.5	0.2	0.6	1.8	**89.8**	87.3	2.5	3%
Taxes on Products and Services	M€	6.8	389.0	8.0	63.3	0.0	0.0	0.0	12.1	**479.3**	536.4	-57.2	-11%
Environmental Taxes	M€	4.3	0.4	22.1	21.2	0.0	0.0	1.0	1.8	**50.9**	58.7	- 7.8	-13%
Taxes collected (cash basis accounting)		**189.0**	**1,906.1**	**128.1**	**57.3**	**2.5**	**5.0**	**3.5**	**64.7**	**2,356.2**	**2,369.3**	**-13.1**	**-1%**
Income Taxes	M€	9.5	16.2	18.3	15.1	0.0	0.8	2.9	1.5	**64.3**	82.8	-18.5	-22%
Property Taxes	M€	–	–	–	–	–	–	–	–	**–**	–	–	0%
Taxes on Labor	M€	18.7	29.6	19.6	10.2	0.2	0.1	0.4	6.6	**85.5**	84.1	1.3	2%
Taxes on Products and Services	M€	160.8	1,860.3	90.2	20.9	2.3	4.1	0.2	56.6	**2,195.3**	2,191.5	3.8	0%
Environmental Taxes	M€	–	–	–	11.1	–	–	–	–	**11.1**	10.9	0.2	2%
Total Tax Contribution - TTC (cash basis accounting)	M€	**248.8**	**2,562.2**	**282.1**	**422.4**	**5.7**	**7.9**	**32.3**	**187.5**	**3,748.9**	**3,644.5**	**104.3**	**3%**
Economic data	**UM**	**Argentina**	**Brazil**	**Chile**	**Colombia**	**Costa Rica**	**Guatemala**	**Panama**	**Peru**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	1,887.5	9,905.7	3,498.4	2,247.2	19.2	78.8	154.4	1,179.7	**18,970.9**	15,528.5	3,442.4	22%
Cross-Border Intercompany Revenues	M€	57.8	23.7	29.9	1.2	0.8	0.2	0.3	0.0	**113.8**	255.8	-142.0	-56%
Earnings Before Taxes	M€	-13.4	498.8	-292.3	875.4	-168.7	25.0	108.9	302.1	**1,335.8**	1,491.4	-155.7	-10%
Corporate Income Tax Accrued	M€	21.0	159.8	283.4	261.4	0.1	2.3	37.9	89.5	**855.5**	872.6	-17.2	-2%
Wages and Salaries	M€	92.7	165.1	149.7	67.3	1.7	3.7	4.2	43.7	**528.0**	499.2	28.8	6%
Tangible Assets	M€	1,836.7	3,328.8	6,667.1	3,675.1	27.4	340.0	389.3	2,341.4	**18,605.9**	16,610.8	1,995.2	12%
Number of Employees	#	4,079	8,966	2,249	2,256	36	94	94	988	**18,762**	20,007	-1,245	-6%
Retained Earnings	M€	788.6	2,129.7	1,271.1	1,938.4	81.4	189.6	173.6	216.1	**6,788.5**	7,907.8	-1,119.3	-14%
Stated Capital	M€	867.6	10,842.7	21,016.5	512.4	260.0	248.9	372.2	2,261.0	**36,381.3**	29,047.1	7,334.2	25%
TTC Rate	%	279.5%	68.7%	N.A.	36.8%	N.A.	11.3%	26.0%	38.5%				
TTC Ratio to Turnover	%	12.8%	25.8%	8.0%	18.8%	28.5%	10.0%	20.9%	15.9%				
Taxes borne in relation to Revenues	%	3.1%	6.6%	4.4%	16.2%	16.0%	3.7%	18.6%	10.4%				
Taxes collected in relation to Revenues	%	9.7%	19.2%	3.6%	2.5%	12.5%	6.3%	2.2%	5.5%				

Asia

ASIA – Main countries						
	UM	India	TOTAL 2021	TOTAL 2020	2021-2020	%
Taxes borne (cash basis accounting)		**0.4**	**0.4**	**0.7**	**-0.3**	**-43%**
Income Taxes	M€	0.4	**0.4**	0.7	-0.3	-43%
Corporate Income Tax Paid	M€	*0.4*	***0.4***	*0.7*	*-0.3*	*-43%*
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	–	**–**	–	–	0%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Taxes collected (cash basis accounting)		**2.2**	**2.2**	**1.5**	**0.6**	**42%**
Income Taxes	M€	1.1	**1.1**	0.8	0.4	49%
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	0.9	**0.9**	0.6	0.3	54%
Taxes on Products and Services	M€	0.2	**0.2**	0.2	0.0	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Total Tax Contribution – TTC (cash basis accounting)	M€	**2.6**	**2.6**	**2.2**	**0.3**	**16%**
Economic data	**UM**	**India**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	14.4	**14.4**	15.1	-0.7	-5%
Cross-Border Intercompany Revenues	M€	7.5	**7.5**	5.9	1.5	26%
Earnings Before Taxes	M€	-5.7	**-5.7**	3.7	-9.3	-254%
Corporate Income Tax Accrued	M€	0.1	**0.1**	–	0.1	
Wages and Salaries	M€	7.4	**7.4**	4.9	2.5	52%
Tangible Assets	M€	320.3	**320.3**	116.0	204.3	176%
Number of Employees	#	418	**418**	273	145	53%
Retained Earnings	M€	-22.2	**-22.2**	-23.9	1.7	-7%
Stated Capital	M€	189.3	**189.3**	125.6	63.6	51%
TTC Rate	%	N.A.				
TTC Ratio to Turnover	%	11.8%				
Taxes borne in relation to Revenues	%	1.8%				
Taxes collected in relation to Revenues	%	10.0%				

Africa and Oceania

AFRICA AND OCEANIA – Main countries						
	UM	South Africa	TOTAL 2021	TOTAL 2020	2021-2020	%
Taxes borne (cash basis accounting)		**–**	**–**	**0.3**	**-0.3**	**-100%**
Income Taxes	M€	–	**–**	0.3	-0.3	-100%
Corporate Income Tax Paid	M€	*–*	***–***	*0.3*	*-0.3*	*-100%*
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	–	**–**	–	–	0%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Taxes collected (cash basis accounting)		**3.8**	**3.8**	**3.5**	**0.3**	**8%**
Income Taxes	M€	0.2	**0.2**	0.4	-0.3	-63%
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	3.7	**3.7**	3.1	0.6	18%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Total Tax Contribution – TTC (cash basis accounting)	M€	**3.8**	**3.8**	**3.8**	**0.0**	**1%**
Economic data	**UM**	**South Africa**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	133.3	**133.3**	83.5	49.9	60%
Cross-Border Intercompany Revenues	M€	7.2	**7.2**	0.3	6.9	2,005%
Earnings Before Taxes	M€	-1.8	**-1.8**	0.0	-1.8	-6,525%
Corporate Income Tax Accrued	M€	–	**–**	–	–	0%
Wages and Salaries	M€	11.1	**11.1**	9.3	1.8	19%
Tangible Assets	M€	1,271.6	**1,271.6**	1,147.4	124.2	11%
Number of Employees	#	178	**178**	152	26	17%
Retained Earnings	M€	-223.7	**-223.7**	-197.1	-26.5	-13%
Stated Capital	M€	1,151.5	**1,151.5**	1,019.7	131.8	13%
TTC Rate	%	N.A.				
TTC Ratio to Turnover	%	2.7%				
Taxes borne in relation to Revenues	%	0.0%				
Taxes collected in relation to Revenues	%	2.7%				

Minor countries: Europe, Latin America, Africa and Oceania, Asia

EUROPE – Minor countries

Economic data	UM	Ireland	Norway	Poland	Slovakia	Turkey	United Kingdom	TOTAL 2021	TOTAL 2020	2021-2020	%
Revenues from Third Parties	M€	9.5	0.7	17.9	0.0	0.0	13.7	**41.9**	22.9	19.0	83%
Cross-Border Intercompany Revenues	M€	3.7	0.2	0.1	–	1.0	1.9	**7.0**	6.0	1.0	17%
Earnings Before Taxes	M€	0.7	-1.2	1.3	-1.4	-6.4	1.7	**-5.3**	-7.0	1.7	25%
Corporate Income Tax Accrued	M€	–	–	0.0	–	0.1	–	**0.1**	0.3	-0.2	-64%
Corporate Income Tax Paid	M€	0.0	–	–	–	0.1	–	**0.1**	0.1	-0.0	-12%
Tangible Assets	M€	0.9	0.1	0.0	0.0	0.0	0.2	**1.3**	10.9	-9.6	-88%
Number of Employees	#	51.0	8.0	16.0	–	2.0	24.0	**101.0**	96.0	5.0	5%
Retained Earnings	M€	22.2	1.8	-2.9	–	-7.2	1.6	**15.5**	13.3	2.1	16%
Stated Capital	M€	2.9	1.6	3.9	–	13.5	1.2	**23.2**	33.1	-9.9	-30%

LATIN AMERICA – Minor countries

Economic data	UM	Uruguay	TOTAL 2021	TOTAL 2020	2021-2020	%
Revenues from Third Parties	M€	1.6	**1.6**	0.4	1.2	282%
Cross-Border Intercompany Revenues	M€	0.0	**0.0**	–	0.0	0%
Earnings Before Taxes	M€	1.2	**1.2**	- 0.1	1.3	1,256%
Corporate Income Tax Accrued	M€	0.1	**0.1**	–	0.1	
Corporate Income Tax Paid	M€	0.0	**0.0**	0.0	0.0	0%
Tangible Assets	M€	0.0	**0.0**	0.0	0.0	0%
Number of Employees	#	1.0	**1.0**	1.4	-0.4	0%
Retained Earnings	M€	-0.8	**-0.8**	-0.6	-0.2	-25%
Stated Capital	M€	0.0	**0.0**	0.0	0.0	0%

ASIA – Minor countries												
Economic data	**UM**	**China**	**Indonesia**	**Israel**	**Japan**	**Singapore**	**South Korea**	**Taiwan**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	0.3	0.0	0.4	12.5	0.1	25.6	0.8	**39.8**	32.9	6.9	21%
Cross-Border Intercompany Revenues	M€	0.2	–	0.1	0.1	0.1	0.0	–	**0.6**	0.8	-0.2	-27%
Earnings Before Taxes	M€	-2.0	-1.6	0.0	-2.0	-2.4	-2.0	-0.9	**-10.7**	-8.1	-2.6	-32%
Corporate Income Tax Accrued	M€	–	–	0.0	0.0	-0.0	–	–	**0.1**	0.0	0.0	465%
Corporate Income Tax Paid	M€	–	–	–	0.0	0.0	0.0	–	**0.0**	0.0	0.0	0%
Tangible Assets	M€	0.6	0.0	0.0	0.5	0.2	6.8	0.3	**8.4**	3.4	5.0	148%
Number of Employees	#	9.0	1.0	1.0	22.0	3.0	39.0	6.0	**81.0**	73.4	7.6	10%
Retained Earnings	M€	-1.0	-1.1	–	-2.9	-5.5	-22.1	-0.7	**-33.4**	-26.3	-7.1	-27%
Stated Capital	M€	3.3	11.2	–	5.7	4.8	33.7	1.2	**59.9**	35.4	24.5	69%

AFRICA AND OCEANIA – Minor countries										
Economic data	**UM**	**Australia**	**Kenya**	**Morocco**	**New Zealand**	**Zambia**	**TOTAL 2021**	**TOTAL 2020**	**2021-2020**	**%**
Revenues from Third Parties	M€	61.2	–	5.1	6.0	13.7	**86.0**	30.2	55.8	184%
Cross-Border Intercompany Revenues	M€	2.2	–	–	0.5	–	**2.7**	2.8	-0.1	-5%
Earnings Before Taxes	M€	-21.3	-0.5	-1.0	0.4	4.0	**-18.4**	-51.3	32.8	64%
Corporate Income Tax Accrued	M€	1.9	–	0.1	0.1	–	**2.1**	0.8	1.4	176%
Corporate Income Tax Paid	M€	-0.7	–	–	0.3	–	**-0.4**	1.5	-1.9	-130%
Tangible Assets	M€	287.0	0.0	1.3	0.1	28.5	**316.8**	46.2	270.7	586%
Number of Employees	#	91.0	2.0	35.0	5.0	6.0	**139.0**	126.1	12.9	10%
Retained Earnings	M€	-44.8	-3.4	3.2	-0.6	-10.3	**-55.9**	-9.0	-46.9	-524%
Stated Capital	M€	375.9	2.5	45.6	2.0	8.8	**434.8**	219.1	215.7	98%

Reconciliations with the 2021 Integrated Annual Report

In the following paragraphs, a reconciliation of data represented in the Tax Transparency Report is made with respect to the contents of the Integrated Annual Report 2021. This reconciliation is necessary given the different methods for drafting the Tax Transparency Report – which have been changed by the OECD rules for Country-by-Country Reporting – with respect to the principles adopted for the drafting of the Consolidated Financial Statements.

M€

Items subject to reconciliation	Tax Transparency Report	Consolidated Financial Statements	Difference to be reconciled
Third Party Revenues	96,662	88,006	8,656
Earnings Before Taxes	5,121	5,500	-379
Tangible Assets	88,382	84,572	3,810
Taxes paid	1,756	1,846	-90

Third Party Revenues

The deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report 2021 are:

(i) **Financial income (-5,424 million euros)**: for the purposes of the Integrated Annual Report the financial data for financial income is entered in the financial statements on a specific line of the income statement that is different than the "Revenues" item, which differs from what is required under the OECD rules[112] applied for the purposes of the Tax Transparency Report;

(ii) **Wheeling system charges (-3,231 million euros)**: for the purposes of the Integrated Annual Report, system charges are the responsibility of the distributing companies (taken directly to the balance sheet) while in the individual financial statements of the countries that operate on the market they are recognized in the income statement;

(iii) **Dividends from companies consolidated using the equity method (-87 million euros)**: for purposes of the Integrated Annual Report, dividends received from consolidated companies[113] are eliminated;

(iv) **Other consolidation adjustments** made on the basis of the application of international accounting principles **(87 million euros[114])**.

M€

Third Party Revenues - Tax Transparency Report	96,662
Financial income	-5,424
Wheeling	-3,231
Dividends from companies accounted for using the equity method	-87
Other consolidation adjustments	87
Revenues - Consolidated Financial Statements	88,006

Earnings Before Taxes

The deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report are:

(i) **Result of companies accounted for using the equity method (571 million euros)**: equity investments in joint ventures/associates accounted for using the equity method;

(ii) **Dividends from companies accounted for using the equity method (-87 million euros)**: for the purposes of the Integrated Annual Report, this item will be eliminated, whereas it will be considered on an individual financial statement level;

(iii) **Release of provisions in the income statement (18 million euros)**;

(iv) **Intercompany gains (losses) (1 million euros)**;

(v) **Other consolidation adjustments** made on the basis of the application of international accounting principles **(-126 million euros[115])**;

(vi) **Other minor adjustments (3 million euros)**.

M€

Earnings Before Taxes - Tax Transparency Report	5,121
Results of companies accounted for using the equity method	571
Dividends from companies accounted for using the equity method	-87
Provisions (or releases) of funds to the income statement	18
Intercompany capital losses (or gains)	1
Other consolidation adjustments	-126
Other minor adjustments	3
Earnings Before Taxes - Integrated Annual Report	5,500

(112) For the purposes of Country-by-Country Reporting (BEPS Project - Action 13).
(113) Using the full, proportional and equity method.
(114) These include the following specific situations listed by way of example only: (i) elimination of intercompany margins and gains, (ii) recognition of any negative goodwill following M&A transactions, (iii) capitalizations of financial expenses in cases of equity injection and (iv) balance net of derivative financial instrument management.
(115) These include the following specific situations listed by way of example only: (i) adjustments to conform to the value following the impairment test and resulting adjustments of depreciation and amortization, (ii) elimination of capital gains resulting from intercompany disposal of assets and the resulting adjustments of depreciation and amortization, (iii) entries related to the management of derivatives, the reversal of the Cash Flow Hedge reserve for a possibly different qualification of the transaction between the stand alone view of the Company and that of the Group and (iv) impairment of consolidation investments using the full method.

Tangible Assets

The deviations between the data given in the Tax Transparency Report and the data in the Integrated Annual Report are due to Adjustments from consolidation **(–3,810 million euros[116])**.

M€

Tangible Assets – Tax Transparency Report	88,382
Adjustments from consolidation	-3,810
Consolidated Tangible Assets	84,572

Income Taxes paid

The data of Income Taxes paid for the purposes of the Integrated Annual Report is determined through the method of indirect recognition, provided for under international accounting principle IAS 7.

Contrarily, the Tax Transparency Report recognizes the data for Income Taxes paid on the basis of information collected from the individual companies in the different tax jurisdictions, consistent with the rules laid down by the OECD for Country-by-Country Reporting.

The deviation is due to the different methods of recognizing the data and to the principles to which they refer[117].

M€

Taxes paid – Tax Transparency Report	1,756
Differences due to the use of the indirect method for the purposes of the cash flow statement	90
Taxes paid – Integrated Annual Report	1,846

Tax Rate

With reference to the reconciliation between the theoretical and actual tax rate, reference should be made to the analysis contained in the Integrated Annual Report 2021.

(116) Adjustments due to the effects of (i) Purchase Price Allocations made during acquisition of controlling interests in companies, (ii) impairment of cash generating units, (iii) capitalizations of financial expenses of fixed assets realized internally, (iv) elimination of any gains during the sale of intercompany assets.

(117) By way of example only, the differences in 2021 can be related to: (i) inclusion in the data of the Integrated Annual Report of the taxes related to dividends (excluded from the data in the Tax Transparency Report) and (ii) changes during the year in the scope of consolidation.

Exchange rates in 2020 and 2021

		Average exchange rate		Exchange rates at year-end	
		Local currency/Euro		Local currency/Euro	
Country	**Local currency**	**2021**	**2020**	**2021**	**2020**
Argentina	ARS Argentine Peso	116.31	103.15	116.31	103.15
Brazil	BRL Brazilian Real	6.38	5.89	6.31	6.37
Canada	CAD Canadian Dollar	1.48	1.53	1.44	1.56
Chile	CLP Chilean Peso	897.86	903.07	964.59	871.75
Colombia	COP Colombian Peso	4,428.42	4,217.27	4,609.89	4,198.62
Costa Rica	CRC Costa Rican Colón	734.27	668.64	727.34	753.24
Guatemala	GDQ Guatemalan Quetzal	9.15	8.82	8.74	9.56
India	INR Indian Rupee	87.43	84.63	84.20	89.65
Mexico	MXN Mexican Peso	23.99	24.53	23.15	24.43
Panama	PAB Panamanian Balboa	1.18	1.14	1.13	1.23
Peru	PEN Peruvian Sol	4.59	3.99	4.52	4.44
Romania	RON Romanian Leu	4.92	4.84	4.95	4.87
Russia	RUB Russian Rouble	87.18	82.72	85.35	91.46
South Africa	ZAR South African Rand	17.48	18.77	18.07	18.02
USA	USD America Dollar	1.18	1.14	1.13	1.23

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