

**OPEN
POWER
FOR A
BRIGHTER
FUTURE.**

WE EMPOWER
SUSTAINABLE
PROGRESS.



**We empower
sustainable progress 2022**

enel



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Enel is Open Power



PURPOSE

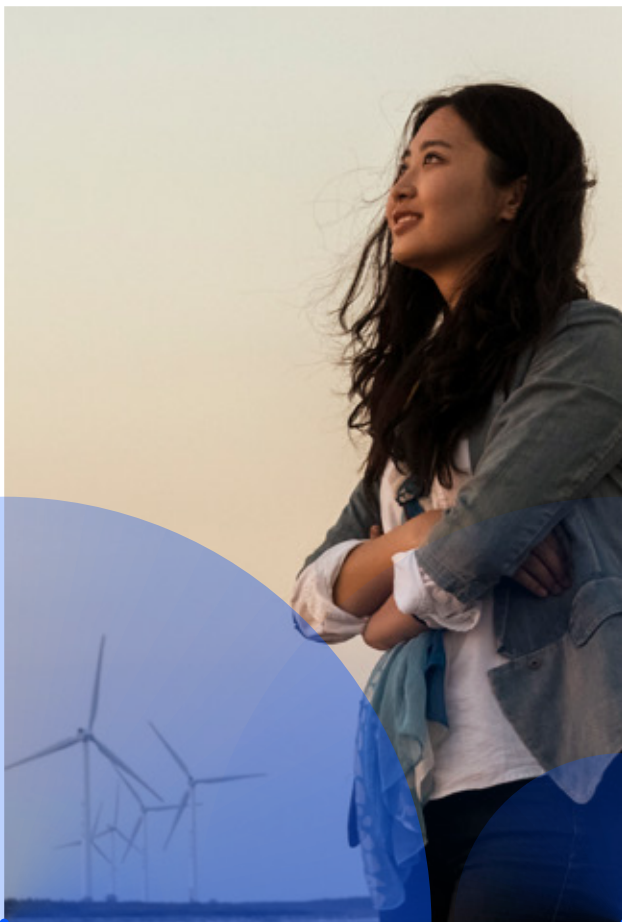
**OPEN
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WE EMPOWER
SUSTAINABLE
PROGRESS.

VISION

Open Power to tackle some of the world's biggest challenges.

POSITIONING

Open Power



PRINCIPLES OF CONDUCT

- Make decisions in daily activities and take responsibility for them.
- Share information, being willing to collaborate and open to the contribution of others.
- Follow through with commitments, pursuing activities with determination and passion.
- Change priorities rapidly if the situation evolves.
- Get results by aiming for excellence.
- Adopt and promote safe behavior and move proactively to improve conditions for health, safety and well-being.
- Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disabilities, personality, etc.).
- Work focusing on satisfying customers and/or coworkers, acting effectively and rapidly.
- Propose new solution and do not give up when faced with obstacles or failure.
- Recognize merit in co-workers and give feedback that can improve their contribution.

MISSION

- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

VALUES

- Trust
- Proactivity
- Responsibility
- Innovation

Letter to stakeholders

60 years of future and energy

| 2-22 |

Dear stakeholders,

This year, we're celebrating **60 years of Enel**: a company created to unite Italy and its energy. It now leads the international revolution in renewables and digital grids. We are conducting that revolution sustainably and innovatively, to **decarbonize** energy generation and to **electrify** consumption, promoting a **just transition**.

The year 2022 was **another of great turbulence**, characterized by converging crises: the continuation of the pandemic, the effects of climate change, economic uncertainty, dramatic conflicts that caused tensions in the energy commodity market and contributed to the exacerbation of inequalities and volatility in the supply chain. The context has clarified the need to shift to an approach not limited to resistance during discontinuities, but able to innovate radically and constantly, anticipating and guiding the now-constant changes, to progressively reduce the business-related risks over time and to produce greater economic and social value.

Enel has been adopting this approach for years: it has reduced dependence on fossil fuels and supplies from individual countries, **decarbonized** its energy generation, **digitalized** infrastructure, **electrified** consumption and created an **innovation ecosystem**, involving over 500,000 people

from different countries, universities and about 600 startups. We can therefore monitor technological discontinuities and social inequalities and innovate to transform them into a source of competitive advantage, rather than merely undergo them.

A concrete example of this approach is the expansion of **3SUN** in Italy. By 2024, it is due to become the largest solar panel factory in Europe, with a production capacity of 3 GW per year, and will use a world-first innovative technology with a replicable business model, which will be useful to strengthen our independence in the value chain.

Our ability to innovate has also enabled us to create **Gridspertise**, a company that assists other global operators in the **digitalization of distribution networks**. Gridspertise was established as a result of the innovations generated by collaborating with startups and leaders from other sectors. Together with them, we have created **QEd**, a revolutionary solution to digitalize various hardware components in the grid, thus saving costs and raw materials.

Other examples are innovations in the storage sector, such as the completion in Tuscany in 2022 – with the collaboration of an Israeli startup – of the first thermal storage system in the world based on common stones, with no dependence on critical raw materials or use of chemical components.



Michele Crisostomo

Chairman

To increasingly free ourselves from fluctuations in the price of commodities, in 2022 we accelerated the **decarbonization of power generation**, continuing the development of new renewable capacity and the decommissioning of fossil plants, such as the Bocamina II coal-fired power plant in Chile. Its recent closure means we have become the first electricity company to no longer use coal in the country.

From photovoltaic panels to mini-wind farms, multiple technologies can assist in improving the **reliability of the energy system**. **Customers** can also become producers or can reduce the cost of energy, accelerating the path towards an electrified future. We remained the leader in demand response, with 8.5 GW of capacity managed for energy consumption. Electrification also entails electric mobility, which we are supporting by expanding the infrastructure, with 22,600 owned public charging points installed globally in the last year, and with the development of new technologies and flexible services to improve the customer experience.

Another key element of our ecosystem is the more than 172,000 **suppliers**, thanks to which we can innovate and make our value chain more and more decarbonized and sustainable. We are supporting them towards a sustainable growth that can increase their competitiveness and efficiency, by means of tangible development initiatives and access to services at advantageous conditions.

Constant dialog with the **communities** in the countries where we operate enables us to jointly construct projects



Francesco Starace

Chief Executive Officer
and General Manager

and solutions that respond to common priorities, promote local development and result in the creation of shared value in the long term. In 2022, there were already around 5 million global beneficiaries of our projects to foster sustained, inclusive and sustainable economic growth. In Italy, we've been focusing on students leaving school too soon, on access to the world of work for the new generations and on training in the new skills required by the energy transition, including via the circularity of professions linked to the previous energy model, through reskilling and upskilling programs. The School4Life project – intended to support students and teachers to prevent early school leaving – will involve about 15,000 students in the two years from 2022 to 2023, whereas the Energie per Crescere (Energy for Growth) program, extended in early 2023 from the grids to the renewable generation sector, will provide technical training to 5,500 young people.

A key element in the strategy is our **people**: now as much as throughout the 60 years of our history, they design the future of energy systems, with dedication and spirit of service even at the most difficult times and in the most extreme conditions.

Our people have understood – and have helped others to understand – the great value of the resource we work with, and the necessity to use it efficiently and responsibly. By sharing our purpose of “**Open power for a brighter future**” on a broader scale, we commit to making the energy system more and more safe and sustainable for our stakeholders.



We empower sustainable progress

We were founded 60 years ago

to bring energy to the territories and communities, the same mission we have today but expanded by innovation, sustainability, and a reliable business model.

We aim to contribute to an affordable, secure and sustainable energy system

by accelerating the decarbonization of our power generation, strengthening the role of distribution networks and creating products and services that make energy transition more effective and simpler in our customers' day-to-day.

We have outlined a sustainability strategy supporting the United Nations' 17 Sustainable Development Goals

with 4 out of the 17 goals guiding our value creation: SDG 13 "Climate Action"; SDG 7 "Affordable and Clean Energy"; SDG 9 "Industry, Innovation and Infrastructure"; SDG 11 "Sustainable Cities and Communities".

We commit to a daily continuous improvement

individually and collectively: people and communities, business, industries and institutions, leveraging growth accelerators (innovation, digitalization, circular economy and sustainability-linked finance).

We empower sustainable progress

| 2-1 | 2-6 | 303-3 | 303-5 | 305-4 | 401-1 | 404-1 | 405-1 | EU1 | EU2 | EU3 | EU4 |

In 2022 Enel celebrated its first 60 years: we were created to bring energy to the territories and communities, the same mission we have today but expanded by innovation, sustainability, and a reliable business model. As a result of the challenge of tackling climate change and the increasing digitalization of the traditional business models of companies in the energy sector, our mission has evolved in order to embrace new ways for making energy accessible thus empowering sustainable progress.

The current relevance of the climate change challenge, the repeated occurrence of extreme events, a high rate of loss of biodiversity and ecosystemic services need to be carefully addressed both in terms of preventing them to happen and of adapting to a changing climate.

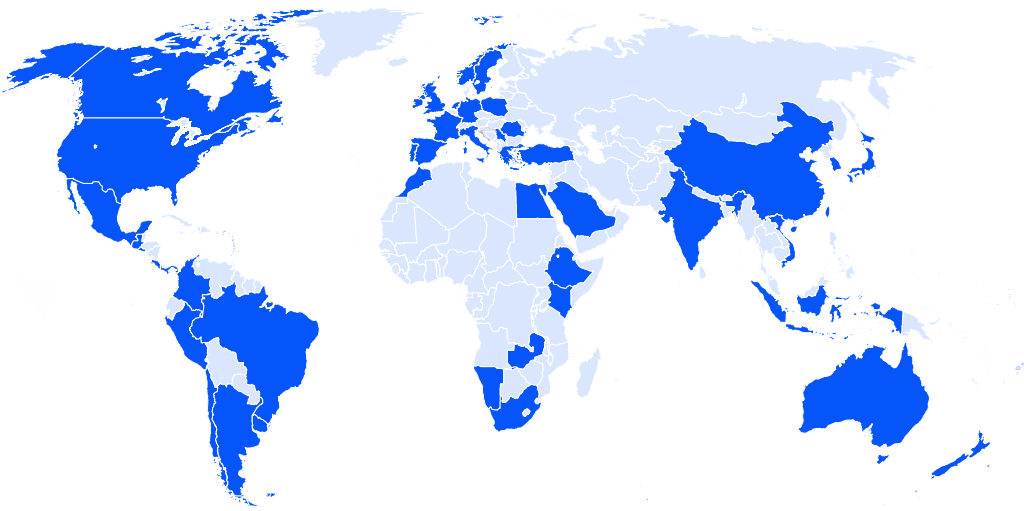
The pandemic and the geopolitical conflicts have worsened the situation and unveiled how much individual countries and regions are intrinsically and structurally weak while making clear that energy independence and achievement of climate objectives require an acceleration of energy policies and a new design of the electricity market to promote the energy transition. By doing so, in the long-term, access to energy will happen at affordable and stable prices, will be secure since it will not be

impacted by geopolitical conflicts, and will be sustainable, with no adverse effects on climate and ecosystems. These are key years to achieve the UN 2030 agenda, the Paris Agreement climate objectives and the Kunming-Montreal agreement to stop and invert the trend of biodiversity loss. These objectives can only be reached by giving a push to decarbonization and clean electrification of end-uses, sustained by business models based on circular economy and open to continuous innovation.

Our contribution to an affordable, secure and sustainable energy system leads us, therefore, first of all to accelerate the decarbonization of our energy generation, as a result of renewables development, utilization of storage and phase-out of thermal generation. In parallel, **we will strengthen our distributions grids** whose role is to enable the undergoing energy transition, also thanks to digital solutions that accommodate larger volumes of renewable energy, so as to make them more resilient, sustainable and open to all stakeholders in electrification. Finally, **we are developing effective and easy-to-use products** and services for our customers since the change involves all of us, individually and collectively: people and communities, companies, industries and institutions.

Our sustainable business model and value creation

We have been confirmed as a leading group in the energy sector, with a **presence in 47 countries on five continents**, vertically integrated along the entire value chain.



47 countries
more than
1,000
Subsidiaries
65,124
Enel employees

PRESENCE

Our purpose, mission, vision and values animate the entire organization and define the aim of the Company itself. **“Open Power for a brighter future: we empower sustainable progress”**, which expresses our daily commitment, the very reason why our people are motivated. Being Open Power means improving everyone’s future, pursuing a sustainable progress that leaves no one behind and leaving a better planet to future generations.

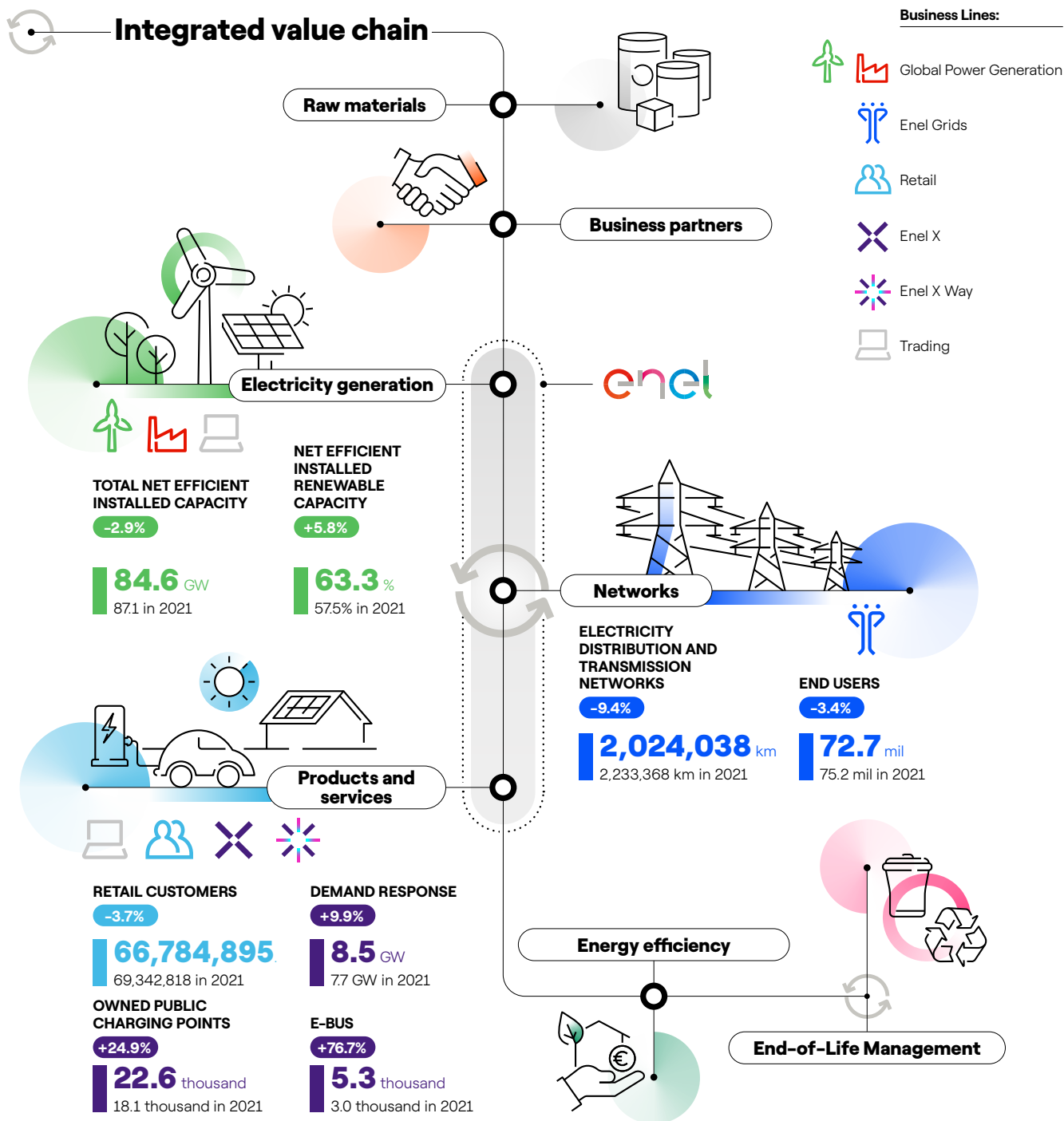
Being Open Power means facing some of the biggest world challenges by combining sustainability and innovation. Open Power means unleashing access to energy: our mission is to connect an increasing number of people to secure and sustainable energy, opening up to new technologies and partnerships, new uses and ways to manage energy itself, while respecting our fundamental values: trust, responsibility, innovation and proactiveness.

Our business model is the growth engine. We are active along the full value chain through Business Lines having each a specific focus. We are the world’s largest private operator in the renewable energy sector with **53.6 GW⁽¹⁾** of net efficient renewable capacity, equal to **63.3%** of the entire generation

capacity (**Enel Green Power and Thermal Generation**). We are the largest private electricity distribution company in the world (**Enel Grids**), with approximately **72.7 million end users** connected to our networks, including **45.8 million** with active smart meters. We also manage the largest customer base of any private company (**Enel X Global Retail**), with approximately **66.7 million customers**. In order to increasingly promote electrification of uses, we develop and sell new services and products (**e-Mobility Enel X Way**), like electric mobility public charging point that currently exceed 22.6 thousand. To guarantee a stable energy supply, we operate in more than 30 countries in wholesale energy markets, and this ensures strategic and sustainable services to our customers (**Global Energy & Commodity Management**).











Business is supported by the Global Service Functions (Procurement, Digital Solutions and Global Customer Operations) and Staff Functions (Administration, Finance and Control, Innovation and Sustainability, People and Organization, Communications, Legal and Corporate Affairs, Audit), with every Country combining the global business models with specific local requirements.

(1) If we include managed renewable capacity and BESS in 2022, 59 GW of installed capacity or 66% of total capacity was reached.



Every day our commitment is to develop a **just and inclusive transition that creates value wherever we operate**. We work jointly with our stakeholders (Enel people, suppliers and financial and commercial partners, communities in the areas of influence of our operations, our customers, the financial community, institutions, media, business and sector associations) since we are aware that we belong to the territory and we are an essential element in the lives of people, business and society at large. We strive to combine our industrial objectives with the socio-economic development of our ar-

reas of operation, building solid and positive relationships to achieve sustainable and long-lasting outcome. We engage our stakeholders by leveraging the Open Power approach as defined both in our Code of Ethics and in our Human Rights Policy, and walking the talk through several solid initiatives. A continuous dialog with the individual stakeholders and with the organizations that represent them, which is summarized also in the results of the materiality analysis process that allows us to identify the priority actions and our contribution to the United Nations Sustainable Development Goals (SDGs).

Stakeholders	2022	INPUT	2022	OUTPUT
 Planet	227.8 TWh	Net electricity generation	229 gCO_{2eq}/kWh	Intensity of GHG Scope 1 emissions relating to power generation
	0.23 (l/kWh_{eq})	Total specific freshwater withdrawal	218 gCO_{2eq}/kWh	Intensity of GHG Scope 1 and 3 emissions relating to Integrated Power
	19.3%	Water withdrawal in water stressed areas	22.9 MtCO_{2eq}	Scope 3 emissions (gas retail)
	200 No.	Projects for the protection of species and natural habitats	0.07 g/kWh	Specific emissions of SO ₂
	26.5 Mtep	Total direct fuel consumption	0.32 g/kWh	Specific emissions of NO _x
			45.2 Mm³	Total water consumption
 Enel people			20.6%	Water consumption in water stressed areas
			9,452 ha	Area covered by natural habitat restoration projects
 Community	65,124 No.	Enel people	6.8%	Turnover
	24.9%	Proportion of women managers to total managers	0.56 i.	Lost Time Injury Frequency Rate
	32.6%	Proportion of women middle managers to total middle managers	47.4 average hours	Training per employee
 Suppliers			42%	Training dedicated to reskilling and upskilling
	1,527 No.	Applications of the shared value creation model (CSV) ⁽¹⁾	15.6 mil	Beneficiaries – Access to clean and affordable energy ⁽²⁾
			4.9 mil	Beneficiaries – Decent work and economic growth ⁽²⁾
 Customers			3.7 mil	Beneficiaries – Quality education ⁽²⁾
			4,778 mil €	Total Tax Borne
			95.7%	Cooperative Compliance Index
 Partners	172,854 No.	Suppliers (FTE)	99%	Suppliers qualified for ESG aspects
	20,435 No.	Active suppliers	62%	Supplies value covered by CFP certification
			0.48 i.	Lost Time Injury Frequency Rate
 Financial community	45.8 mil	End users with active smart meters	321 TWh	Electricity sold
	37%	Digital clients	212 No./10k customers	Commercial claims
	22.6 thousand No.	Owned public charging points	231 min.	SAIDI
 Financial community			0.7 mil	Beneficiaries of new connections in rural and suburban areas
	10 No.	Innovation hubs	194 No.	Proof of Concept
			60 No.	Solutions adopted in the business
 Financial community			43 No.	Partnership agreements for innovation
	60,068 mil €	Net financial debt	0.40 €/share	Fixed dividend per share (DPS)
	63%	Sustainable sources of financing on total	3.3%	Cost of gross debt
 Financial community			56.7%	EBITDA related to business activities aligned with the European Taxonomy Regulation
	81.9%	Investments in business activities aligned with the European Taxonomy Regulation		

(1) An application is interpreted as the use of at least one CSV instrument in relation to an asset, in any phase of the chain of value and in any Business Line. The CSV applications in the BD phase include applications regarding BD opportunities (also at the beginning phases) and business projects output from the pipeline. They can also relate to assets in O&M in the case of modernizing projects or decommissioning activities. The CSV applications in the E&C phase can refer to assets passed to the O&M phase at the end of the year. The number of CSV applications in Infrastructure & Networks (I&N) may refer to the concession area, but also areas identified by municipalities and substations. The value includes companies consolidated using the equity method and companies for which the Build, Sell and Operate (BSO) mechanism has been applied.

(2) Cumulative figures since 2015.

Please refer to the related chapters in this document and to the Sustainability Statement to see the progress of these data.



With the planet: we are committed to defining measures and actions for mitigating the impacts generated by climate change, including the loss of biodiversity and the disappearance of ecosystems, to guarantee a safe, healthy, clean and sustainable environment for the protection of rights of human beings and future generations (please refer to the chapters "[Zero emissions ambition](#)" and "[Conservation of natural capital](#)").



With customers: we analyze their needs to ensure reliable responses and establish lasting relationships, committing ourselves to offering sustainable solutions and services that are affordable, innovative, flexible and attentive to the most vulnerable to ensure equal access to energy (please refer to chapter "[Clean electrification](#)").



With people in the Company: we are committed to having a close relationship with them, particularly by paying greater attention to caring activities and active listening, while promoting internally a culture of inclusion, enhancement of diversity, innovation and business entrepreneurship to face the challenges posed by a constantly changing context (please refer to chapter "[Empowering Enel people](#)").



With communities: we work together to draw up specific action plans and projects intended to promote access to energy, fighting energy poverty, supporting quality education and socio-economic development, starting from a proactive analysis of their needs through a shared value creation model (please refer to chapter "[Engaging communities](#)").



With suppliers: we face the challenges of transition and support their path of change and growth, sharing ideas and innovations (please refer to chapter "[Sustainable supply chain](#)").



With the financial community: we maintain a constant and open relationship, based on principles of integrity and transparency, in compliance with the rules and best practices, in order to increase the level of understanding of the activities carried out by the Group (please refer to the "[Sound governance](#)" chapter).



With our partners: through openinnovability.com, a crowdsourcing platform, the different areas of the Group can interact with startups, industrial partners, small and medium-sized enterprises ("SMEs"), research centers, universities and entrepreneurs, to deal jointly with the challenges of the future and guarantee sustainable progress for all (please refer to chapter "[Innovation](#)").

Economic value generated and distributed for stakeholders

3-3 | 201-1

Millions of euro

	2022	2021 ⁽¹⁾
Economic value generated directly	140,821	85,865
Economic value distributed directly		
Operating expenses	114,384	62,063
Personnel expenses and benefits	3,646	4,296
Payments to providers of capital (shareholders and lenders)	7,691	7,409
Payments to government ⁽²⁾	6,027	4,916
	131,748	78,684
Economic value retained	9,073	7,181

(1) The figure for 2021 has been adjusted, for comparative purposes only, to take account of the classification under the item "Profit/(Loss) from discontinued operations" of profit/(loss) connected with the assets held in Russia (which were sold in the 4th Quarter of 2022), Romania and Greece as the requirements of IFRS 5 for their classification as discontinued operations have been met.

(2) The amount includes "total tax borne", which is costs for taxes borne by the Group. For more information, see the 2022 Sustainability Report and the Consolidated Non-Financial Statement. The figure for 2021 has been adjusted on the basis of more accurate information.

The economic value generated and distributed directly by Enel provides a useful indication of how the Group has created wealth for all stakeholders. The increase in the economic value generated directly and the operating costs was caused mainly by the increase in the average prices and intermediate volumes of energy commodities, in par-

ticular gas and electricity. The payments to capital lenders are increasing essentially due to the increase in interest expense, mainly related to the increase in the interest rates following the restrictive monetary policies that were implemented to face the growing inflationary pressure.



Our strategy for sustainable progress

The strategy developed in recent years has enabled the Group to set out a **vision of the future and progress centered on sustainability** as a key factor in addressing the global challenges of the transition to a decarbonized economy.

A sustainable strategy and an integrated business model that enable us to **contribute to achieving all 17 United Nations Sustainable Development Goals**.

In particular, 4 of the 17 goals guide our creation of value:

- **SDG 13 “Climate Action”**;
- **SDG 7 “Affordable and Clean Energy”**;
- **SDG 9 “Industry, Innovation and Infrastructure”**;
- **SDG 11 “Sustainable Cities and Communities”**.





The focus
of our
contribution

SDG 13.2

Integrate climate change measures into national policies, strategies and planning

SDG 7.2

Increase substantially the share of renewable energy in the global energy mix.

SDG 9.1

Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

SDG 9.4

Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

SDG 11.2

Provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

SDG 11.3

Enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

Our actions

Enel's decarbonization roadmap covers both direct and indirect emissions along the Group's entire value chain, and consists of four targets certified by the Science Based Targets initiative (SBTi), in line with limiting global warming to 1.5°C.

- **Development of new RES** capacity to have 100% renewable generation facilities by 2040
- **Exit from coal-fired generation by 2027 and gas-fired generation by 2040**
- **Exit from gas retail by 2040**, 100% sales from RES by 2040
- **Enel Capex Plan** fully aligned with the target

Enel's main contribution to SDG 7 focuses on the **decarbonization of the generation mix**, with the progressive **development of renewable energy**, taking advantage of the **hybridization of renewables with storage solutions**, and the concomitant **exit from electricity generation from thermal capacity**

The **digitalization and upgrading of grids** are key objectives to ensure the reliability and security of the energy system. **Grids flexibility and capacity** allow to handle an increasing share of distributed generation and **the increase in the number of connections with new users**

We develop innovative technologies to make the use of clean electricity increasingly accessible and widespread, accelerating the digitalization of services for greater efficiency in the use of energy itself. In homes (B2C) through a focus on residential consumption (e.g. heat pumps for home heating and induction plates), **with businesses (B2B)** by guiding them towards the use of customized integrated solutions, starting with consultancy up to the implementation of solutions such as self-production of electricity, installation of trigeneration plants, and **in the public sector (B2G)** we promote the use of a circular model for cities, accompanying them on a path of electrification and digitalization, through the integration of solutions aimed at efficiency and the improvement of services for the benefit of households and the reduction of polluting emissions. Furthermore, **the expansion of electric vehicle charging infrastructure** for Enel is one of the main drivers for the electrification of end-use consumption.

Our goals

- Reduction in GHG Scope 1 emissions intensity relating to power generation⁽¹⁾: **-80%** in 2030 vs 2017
- Reduction of GHG emissions intensity Scopes 1 and 3 relating to Integrated Power⁽¹⁾: **-78%** in 2030 vs 2017
- Reduction in absolute GHG Scope 3 emissions relating to Gas Retail: **-55%** in 2030 vs 2017
- **>80%** of investments (Capex) planned for 2023-2025 aligned with the European Taxonomy Regulation

- **21 GW additional renewable capacity** in the period 2023-2025, of which **~ 4 GW Battery Energy Storage System (BESS)**
- **70% energy production from renewable sources** in 2025

- Improve service quality by reducing the average duration of system interruptions: **SAIDI ~150 min.** in 2025
- Improve **demand response solutions: 12.4 GW** in 2025
- Achieve **48.3 mil users with active smart meters** in 2025

- Instal **31.4 thousand owned public charging points** in 2025
- Serve approximately **13 thousand electric buses** in 2025
- Manage **3.3 mil lighting points (street lighting)** in 2025
- **4,000 municipalities** connected on the YoUrban platform in 2025
- **352 MW storage behind the meter** in 2025

13

7

9

11

~94%

Capex aligned with SDGs in the period
2023-2025

(1) Values of reduction percentages were calculated on an equal perimeter basis, and take into account the 2017 baseline from which GHG emissions from disposed assets from 2017-2022 are excluded, in accordance with SBTi.

The Sustainability Plan: our commitment

Our sustainability strategy is embodied in **our Sustainability Plan**, defined taking into account the results of the materiality analysis, in synergy with the Strategic Plan, and translated into specific short-, medium- and long-term goals in order to ensure the transparency and verifiability of our journey towards sustainable progress. Every year, these objectives are updated in accordance with a process of continuous alignment with the business strategies, with the results achieved and best practices in order to increasingly integrate sustainability along the entire value chain. At the heart of our sustainability strategy is our **ambition to achieve zero emissions by 2040**, thanks to a sustainable business model based on the development of generation from renewable sources and facilitated by the security and reliability of the grid and the clean electrification of consumption. In all our activities, we always take into account the **needs of our stakeholders**. In this context, innovation,

digitalization, circular economy and sustainable finance act across all sectors and **accelerate growth**. A pathway of sustainable growth that is taken in respect of **nature** and of **human rights**, with the support of a **sound governance** structure.

The **Sustainability Plan 2023-2025** reinforces our decarbonization commitment, considering all Group emissions and confirming our commitment to achieving "No Net Loss" in terms of biodiversity in the development of new infrastructure from 2030, focusing in particular on areas of high biodiversity importance, with respect to forest conservation and the preservation of protected areas. A new objective was defined related to the overall well-being of Enel people, as a factor enabling the development of innovation potential.

Sustainability Plan 2023-2025



Our commitment to sustainability



Elisabetta Ripa

Global E-Mobility

"Enel X Way has adopted an integrated sustainable business approach: We implement inclusive solutions for every mobility need, accessible to all, and we do this by following Circular by Design logic, which aims to reduce to zero not only our carbon footprint but also that of our customers".



Antonio Cammisecra

Global Infrastructure & Networks

"We invest in research, development and the use of low-impact components and innovative solutions that reuse materials from end-of-life grid components, involving the entire supply chain in order to reduce its emissions to zero".



Salvatore Bernabei

Global Power Generation

"We work passionately every day to realize our mission 'To promote progress with sustainable energy' by investing in renewable energy development and innovation together with our colleagues and partners and with the communities that host our plants".



Francesco Venturini

Enel X Global Retail

"We accompany our customers on a sustainable growth path: from simple consumers to active decision-makers in energy consumption and generation choices, capable of seizing economic, environmental and social opportunities with commodity-integrated electrification solutions".



Claudio Machetti

Global Energy and Commodity Management

"We improve and integrate sustainability into our margin optimization and risk management processes for the Group. Anti-fragility research and collaboration with our stakeholders is our vision to sustainable progress".



Nicola Melchioti

Global Customer Operations

"Turning every interaction into an opportunity to bring satisfaction and happiness to our customers. This is our goal, for which we are focusing on listening, simplification and the design of a more sustainable future for each of our customers".



Guido Stratta

People and Organization

"People are the key to enabling the energy transition. Through continuous learning, work-life balance, inclusion and a culture of safety we take care of their well-being and motivation, a requirement for achieving our goals".



Ernesto Ciorra

Innovation and Sustainability

"Let us work for a fairer and more inclusive society, creating economic and social value that fuels progress that is truly sustainable and open to everyone!".



Alberto De Paoli

Administration, Finance and Control

"Sustainability is our starting point and main purpose. It is the engine of our business proposition and growth perspectives. It is a place where technological evolution, profit and the wealth of people can find a perfect synthesis without frictions and the path where the old concept of capitalism is evolving into the new Stakeholder Capitalism proposition. Our Zero Emission Ambition plan makes it clear that we know where we want to arrive and the leadership role we want to continue to play".



Francesca Di Carlo

Global Procurement

"It is critical for us to include the supply chain in our sustainability strategy, sharing measurable goals consistent with our SBTi-certified decarbonization road map and stimulating innovation as a lever for acceleration".



Roberto Deambrogio

Communications

"For Enel, being sustainable is the only way to create long-term value. Sustainability is integrated into our investments and the Group's industrial strategy from the very beginning, taking into account the needs of each stakeholder and thus creating shared value".



Giulio Fazio

Legal and Corporate Affairs

"Reinterpreting the role of the corporate lawyer from a sustainable perspective means creating value for society, investors and stakeholders. And to this end it is crucial not to limit ourselves to the letter of the law but to use the regulations to provide solutions and create opportunities".



Silvia Fiori

Audit

"We have integrated SDGs and sustainability KPIs into our risk assessment to enable us to assess the adequacy and effectiveness of the risk control measures in the processes that also take into account their contribution to achieving the Group's sustainability goals".



Carlo Bozzoli

Global Digital Solutions

"The great opportunity offered by digitalization is the essential factor in implementing the energy transition and achieving zero emissions. In the coming years, the focus will be on sustainable coding to ensure greater quality, safety and inclusiveness".

Zero emissions ambition

Read more... 

At the center of Enel's sustainability strategy lies the **ambition to achieve zero emissions in 2040**, in line with the goal of limiting global warming to below 1.5 °C. Specific targets, validated by SBTi (Science Based

Targets initiative), have been defined, covering both direct emissions generated by our plants and indirect upstream and downstream emissions produced by our suppliers and customers.



2030



-80%

reduction of GHG Scope 1 emissions intensity relating to power generation (compared to 2017)⁽²⁾



-78%

reduction of GHG Scope 1 and 3 emissions intensity relating to Integrated Power (compared to 2017)⁽²⁾



-55%


reduction of absolute GHG Scope 3 emissions relating to Gas Retail (compared to 2017)

2023-2025



>80%

of investments (Capex) planned for 2023-2025 aligned with the European Taxonomy

PROJECT: ADAPTATION: A CLIMATE-PROOF FUTURE 

Legend



Target included in the short- and long-term remuneration plan for Top Management



Target included in sustainability-linked financial instruments

⁽²⁾ The values of the reduction percentages have been calculated on an equal perimeter basis, and take into account the 2017 baseline, which excludes GHG emissions from assets disposed in the 2017-2022 period, in accordance with SBTi.

Clean electrification

Read more... 

The transition to decarbonization is supported by the growing **development of renewable energies**, reaching **53.6 GW⁽³⁾** of installed capacity in 2022, and by the phase-out of coal-fired generation by 2027 and gas-fired by 2040. It is also supported by an approach to innovation as an accelerator in the creation of sustainable value, an example of which is the construction of the 3SUN Gigafactory photovoltaic panel plant in Catania.

The extension and digitalization of the grids, which have 72.7 million end users, make it possible to accommodate greater volumes of energy produced from renewable sources and to offer an increasingly high-quality, secure and reliable service. One of the main objectives in this regard is strengthening our commitment to reducing the average frequency (SAIFI) and duration (SAIDI) of interruptions of electricity supply. Furthermore, we are committed to further extending access to electricity in rural and suburban areas in the countries in which we operate, to communities with no electricity supply, aiming to reach 7.1 million beneficiaries by 2030.

By offering new, innovative and inclusive products and services, we can **accompany our customers on their journey to clean electrification and the transformation of their energy habits** in everyday life. We are able to do this through network flexibility and consumption optimization services such as demand response,⁽⁴⁾ but also by bringing

energy ever closer to our customers, for example through the development of energy communities.⁽⁵⁾ We also continue supporting the spread of electric mobility, expecting to reach 31,400 owned public charging points in 2025 (22,600 in 2022), as well as serving around 13,000 electric buses (over 5,000 in 2022).



2025

70%

energy production from renewable sources




~150 min SAIDI

System Average Interruption Duration Index (min)

31.4 thousands

owned public charging points

PROJECT: SARDINIA: THE PERFECT ISLAND FOR A SUSTAINABLE MODEL 

(3) Including managed renewable capacity and BESS in 2022, 59 GW of installed capacity or 66% of total capacity was reached.

(4) A digital platform service open to commercial and industrial customers that enables greater network flexibility and stability and more efficient use of infrastructure and energy resources by optimizing consumption.

(5) An energy community consists of an association of citizens, businesses, local governments and small/medium-sized enterprises that decide to join forces with the aim of producing, trading and consuming energy from renewable sources on a local scale.

People

Read more... 

The value of the relationships we establish with our stakeholders is a core focus of our commitment to achieve a just transition, focusing on those most exposed in the transition to a decarbonized economy. We promote specific resettlement programs supported by upskilling and reskilling activities and

For the **people who work at the Company**, we are also committed on a daily basis to building an inclusive working environment in which diversity and uniqueness are valued and individual development is encouraged, including through the further extension and diversification of the training offer. Our attention is increasingly focused on the well-being of our people and on enabling their engagement and innovative potential: in pursuing this direction, a new goal related to the overall well-being of Enel people has been defined. Women in the company account for 23.4% of the total, thanks to a special focus on gender diversity, which also in a broader, cultural and generational sense, aims to enhance resources even before they join the company

Our suppliers are indispensable for us to enhance sustainable progress and realize the process of transformation of the energy and digital system, encouraging them to commit to a sustainable path. The basis of our purchasing processes is loyalty, transparency and collaboration, and we ask our suppliers not only to guarantee the quality standards required, but also to commit to adopting best practices in terms of human rights and of the impact of their activity on the environment. This commitment is translated into concrete actions: at the qualification stage, when assessing suppliers based on social and environmental factors, when requesting certifications at the tender stage, or in

we are committed to dedicating 40% of the total training fund to these programs in 2025. We support our suppliers on this new journey to repurpose their resources and skills and we develop projects and activities at a local level with the communities involved in the transition process.

and throughout all people management processes.

Read more... 

2025



45%

women in Top Manager succession plans

61%

Overall Global Wellbeing Index

PROJECT: BACK TO SCHOOL 

the application of rankings and/or targets concerning the carbon footprint of suppliers.

Read more... 

2025

75%

supplies' value covered by Carbon Footprint certification

PROJECT: ENERGY FOR SCHOOLS 

Responsible relations with the communities where we operate aim to promote economic and social development through sustainability projects. From the expansion of infrastructure to professional education and training programs, as well as projects that support cultural and economic activities and promote access to energy, rural and suburban electrification, tackling energy poverty and promoting social inclusion for the more vulnerable categories.

[Read more...](#) 

2015-2030

5 million

beneficiaries of the projects to ensure inclusive and equitable quality education (SDG 4)

20 million

beneficiaries of projects to provide access to affordable, reliable, sustainable and modern energy (SDG 7)

8 million

beneficiaries of projects to promote sustained, lasting, inclusive and sustainable economic growth (SDG 8)

PROJECT: RUTA PEHUENCHE 

Growth accelerators

[Read more...](#) 

Innovation, circular economy, digitalization and sustainable finance are the growth accelerators of Enel's

We constantly work **on innovation** and foster open collaboration with our partners, including start-ups, SMEs, large companies, academia, internal and external experts, and investors. A widespread culture of Innovability® (innovation and sustainability) means that the whole Company aims to renew itself continually, thereby ensuring its survival in the long term. We constantly strive to find innovative solutions to support environmental protection but also to create more socially inclusive conditions.

[Read more...](#) 

sustainability strategy that embrace and enhance all strategic themes crosswise.

2023-2025

Scale-up of **126** solutions in the business

Launch of **445** Proof of Concept to test innovative solutions

PROJECT: NET ZERO GRID 



For years, we have been constantly rethinking how we do things with a **circular economy** approach, focusing on innovation not only in technology, but also in business models, involving the entire value chain. Adopting a circular and sustainable model as an integral part of the energy transition process also allows us to lower our dependence on raw materials, particularly on “critical” raw materials, ensuring not only the competitiveness of the business model, but also full social and environmental sustainability across the chain. Suffice to look at the increasing attention to raw materials, the basis for the production of solar panels and batteries, a major focus considering the topic of their scarcity compared to demand.

[Read more...](#) 

Finally, the energy transition process cannot disregard aspects such as **digitalization and cyber security**, through which the Group is committed to disseminating the most advanced solutions and to strengthening verification activities in order to prevent possible cyber attacks (Ethical Hacking, Vulnerability Assessment).

[Read more...](#) 


The importance of **sustainable finance** is growing to accelerate the achievement of the 2030 Agenda goals, through investments that link financial strategy to the Company’s sustainability goals. At Enel, sustainable finance plays a crucial role in supporting the growth of the Group, accounting for 63% of the gross debt at the end of 2022 and contributing to a gradual reduction in the cost of debt, through the recognition of the value of sustainability. Furthermore, 92% of investments

2030

92%

Circularity improvement⁽⁶⁾

Double Economic CirculAbility®
compared to the baseline year 2020⁽⁷⁾

PROJECT: WIND NEW LIFE 

2025

1,400

cyber security verification activities per year
(Ethical Hacking, Vulnerability Assessment, etc.)

PROJECT: PLATFORMS 

(Capex) in 2022 were aligned with the UN Sustainable Development Goals (SDGs).

[Read more...](#) 

2025

~70%

sustainable financing sources (sustainable finance instruments/total financial instruments)

(6) The circularity improvement index measures lower material and fuel consumption of the Group’s plants throughout their life cycle compared to 2015.

(7) The “Economic CirculAbility®” KPI considers the Group’s overall EBITDA (euros) and compares it with the amount of resources consumed, both fuel and raw materials, by the different business activities (tons).

Nature

Read more... 



Protecting natural capital and biodiversity, tackling climate change, and contributing to sustainable economic development are strategic factors in the planning, operation and development of our activities. From the perspective of the energy and digital transformation process, mitigating the effects of increasing environmental degradation and climate change cannot be achieved without taking into account their social impact and the principles of inclusion and equity. In particular, this translates into an everyday commitment to the conservation and preservation of nature and biodiversity, by reducing and mitigating the potential negative effects on the planet that may result from various Group activities, to protect current and future generations.

The environmental strategy is also strengthened by a circularity approach, which focuses on reducing the consumption of non-renewable resources and maximizing the value of those already used and of the goods produced, by integrating sustainability from the design phase to the decommissioning of plants, also through innovative solutions.

2030

Preservation of biodiversity:

No Net Loss

-85%

reduction of specific SO₂ emissions

-70%

reduction of specific NO_x emissions

-65%

reduction of specific freshwater withdrawal

PROJECT: BIODIVERSITY TO PROTECT HUEMUL 

In this context, we have defined specific targets related to the reduction of emissions (including SO₂, NO_x), freshwater withdrawal through responsible use of water resources and waste generated through a structured management system. We have also committed to achieving No Net Loss in terms of biodiversity for new infrastructures from 2030, commencing its adoption on selected projects in areas of high biodiversity importance starting from 2025.



Human rights

Read more... 

Our commitment to human rights is reflected in an integrated, cross-cutting approach that takes into account the needs of our stakeholders along the entire value chain. In this way, we promote knowledge and the

The protection of health and safety for all those who work with and for us is a shared responsibility at every level, through the integration of safety in processes and training, in the relationship with contractors, in the management and analysis of accidents and in the continuous quality controls.

Read more... 

Underpinning the business processes and activities in which we are engaged is a **sound governance framework**, which enables to guarantee our stakeholders the application of transparency, fairness and integrity

In the 2022 Sustainability Report, an **overview of all the objectives in the 2023–2025 Sustainability Plan** is provided at the beginning of each chapter, in the dashboards. For example, the dashboard header represents the link between the material topics, the issues in the Sustainability Plan and the United Nations Sustainable Development Goals, to which the objectives related to the specific issue

growth of a constructive dialogue that can really help to effectively address the challenges in terms of the social impact of a decarbonized economy.

Read more... 



-1%

Injuries with absence from work frequency rate compared to the previous year⁽⁸⁾

PROJECT: ROBOTS AND SAFETY 

principles in support of our business model and its implementation on a daily basis, as well as of our entire sustainability strategy.

Read more... 

Material topics (I level)

Double materiality

• Decarbonization of the energy mix

Plan

Zero emissions ambition

SDG



(8) This index is calculated by establishing the ratio between the number of injuries (all injuries, also those with 3 days of absence or less) and hours worked/1,000,000. In line with GRI, the target reported here takes into account calculation methods that are slightly different from what has been included in Chief Executive Officer's short-term variable compensation, reported in the Report on Remuneration Policy.

Our governance of sustainability

| 2-9 | 2-12 | 2-13 | 2-14 | 2-24 |

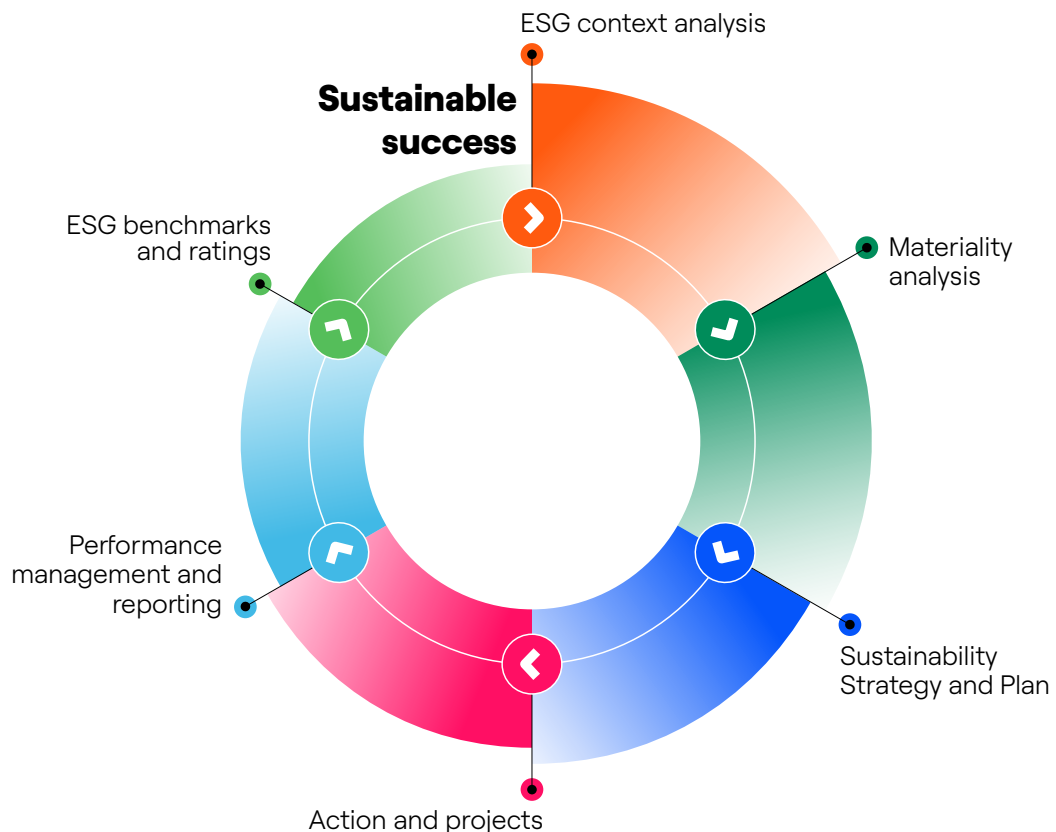
Our governance structure is inspired by international best practices in terms of independence, transparency, inclusiveness and accountability, and permeates the various

strategic and operational processes at all levels of the Company, ensuring effective and efficient management of activities in line with the Company's purpose and values.

Integrating sustainability into company strategy and processes

For us, sustainability is an essential part of our company processes and lies at the heart of our strategy to meet the global challenges of the transition to a decarbonized economy. This integration is possible thanks to structured processes throughout the Group, starting with an analysis of the context and macro-trends that allows us to assess economic, social and environmental challenges, analyze the associated risks and seize the relative opportunities. This in turn allows us to understand the context in which we operate, supporting our growth and our path towards

sustainable progress. Context analysis is therefore crucial in order to identify the actual and potential impact of our activities, as well as serving as a guide in the definition and planning of our short-, medium- and long-term targets, which are realized through the implementation of specific actions and the development of projects and initiatives in support of our sustainability strategy. Every stage of this process relies on respect for human rights as a fundamental element in the pursuit of **sustainable success**.



A key element of the approach described is the **adoption of the ESG (Environmental, Social and Governance) indicators** throughout the entire value chain, not only to report the results achieved, but above all to anticipate decisions and guide our actions. We are constantly committed to managing and measuring our performance on all relevant aspects, considering economic, business and ESG issues in reporting on activities and defining the objectives underlying the strategy. This model is fully in line with the requirements of the United Nations' Global Compact, of which Enel has been an active member since 2004, which stress the importance of ever-increasing integration of sustainability throughout all corporate strategies. In 2022, we also officially launched our ENEL STAKECAP[®]™ model, proposing the adoption of new financial metrics to represent the creation and distribution of sustainable value to the different categories of stakeholders with whom

we establish a quality relationship, measured using ESG metrics.

Our commitment to transparent and robust reporting of our performance on all ESG aspects is essential in order for us to ensure access to information for all our stakeholders, as well as for ESG rating agency assessments to support investors in assessing the sustainability of our business model.

A commitment evidenced by our active participation in various international and European contexts in initiatives and actions to develop and revise frameworks and standards for measuring corporate sustainability, including the European Financial Reporting Advisory Group (EFRAG)'s drafting of the European sustainability reporting standards. Please refer to the "[Our participation in ESG standards/frameworks and sustainability networks](#)" paragraph for further details in this chapter.

The Enel governance model for sustainability

| 2-9 | 2-10 | 2-17 | 2-18 |

Enel's organizational and corporate governance model ensures that sustainability issues are appropriately taken into consideration in all relevant company decision-making processes, by defining specific tasks and responsibilities for the main corporate governance bodies.

The **Board of Directors** plays a central role in corporate governance as the body vested with powers related to the strategic, organizational and control policies of the Company and Group, and pursues the sustainable success of the same. In this context, the Board of Directors takes into account the need to pursue sustainable success particularly: (i) when defining Company and Group strategies; (ii) when drawing up the remuneration policy for the Chief Executive Officer/General Manager and Key Management Personnel, defining specific sustainability objectives the achievement of which is linked to a significant component of the variable pay; and (iii) with regard to the Company's Internal Control and Risk Management System ("SCIGR"), aimed at the effective and efficient identification, measurement, management and monitoring of the main corporate risks, including those of an ESG nature.

Enel applies diversity criteria, also in relation to gender, in the composition of the Board of Directors, in line with the priority goal of ensuring adequate competence and professionalism of its members and in compliance with its **Diversity Policy**, approved in 2018. The Board of Directors, whose term expires with the approval of the financial statements for the 2022 financial year, in providing shareholders with its **guidance on the optimal size and compo-**

sition of the Board of Directors, with a view to its renewal by the Ordinary Shareholders' Meeting scheduled for May 2023, expressly took into account the criteria set out in the Diversity Policy. These guidelines, which include sustainability among the competencies deemed relevant, are summarized in a special document that was published in good time on the Company's website in anticipation of the Shareholders' Meeting called to renew the Board.

In order to provide Directors with an adequate overview of the Group's business sectors, including sustainability issues, a comprehensive **induction program** was organized commencing in the second half of 2020, followed by specific examination of the topics of corporate governance and climate change during 2021. During 2022, the induction program continued with further examination of the topics of cyber security and risk governance.

Furthermore, in order to regulate the way in which the Company engages with institutional investors and with all shareholders and bond holders, in March 2021 the Board of Directors adopted a specific Policy (called "**Engagement Policy**"). In this regard, during 2022, the Company maintained an ongoing dialogue with institutional investors, also with reference to certain profiles concerning sustainability, with a particular focus on climate change.

The Board of Directors has also established internal board committees with the power to investigate, propose and advise, in order to ensure an adequate internal division of its functions, as well as a related parties committee. In particular, the following committees have been established:

- **Corporate Governance and Sustainability Committee**, which among other things assists the Board of Directors on sustainability issues, including issues relating to climate change and the dynamics of the Company's interaction with all stakeholders. More specifically, with regard to sustainability issues, the Committee examines: (i) the guidelines of the Sustainability Plan and the materiality matrix – which identifies the material topics for stakeholders in light of the Enel Group's industrial strategies – periodically assessing achievement of the objectives defined in the Plan itself; (ii) the way in which the sustainability policy is implemented; (iii) the general outline and structure of the content in the Non-Financial Statement and the Sustainability Report, which may be summarized in a single document. In 2022, it addressed sustainability issues in 4 of the 6 meetings held.
- **Control and Risks Committee**, which is tasked, among other things, with supporting the assessments and decisions of the Board of Directors relating to the SCIGR, also with regard to risks that may be relevant from a sustainability perspective, and to the approval of periodic financial and non-financial reports. During 2022 it dealt with sustainability issues in 8 of the 14 meetings held;
- **Nomination and Compensation Committee**, which is tasked, among other things, with supporting the Board of Directors in its assessments and decisions relating to the size and optimal composition of the Board itself and its Committees, as well as the remuneration of Directors and Key Management Personnel. In this regard, the remuneration policy for 2022 provides for specific sustainability targets the achievement of which is linked to a significant component of the variable pay of the Chief Executive Officer/General Manager;
- **Related Parties Committee**, which performs the tasks required by the CONSOB regulations and by the specific Enel procedure governing transactions with related parties.

Furthermore, in line with the power structure currently in force within the Company:

- the **Chairman** of the Board of Directors acts as a link between the executive and non-executive directors and is responsible for ensuring the effective operation of the board; he also plays a **proactive role in the process of approving and monitoring corporate and sustainability strategies**;
- the **Chief Executive Officer** is primarily responsible for

the management of the Company and acts as the director in charge of the establishment and maintenance of the SCIGR. Also, in exercising the powers granted, **he has defined a sustainable business model** by identifying a strategy aimed at guiding the energy transition to a low carbon model;



- the **Innovability® Function** (Innovation and Sustainability), which reports directly to the Chief Executive Officer, manages all activities relating to sustainability and innovation. The Holding units responsible for Enel S.p.A.'s operations, particularly the sustainability, circular economy, and community relations processes, play a guidance and coordination role for the Sustainability and Innovation units located in the various countries and Business Lines. In particular, the Holding's Sustainability Planning and Performance Management and Human Rights unit, responsible for the management of sustainability planning, monitoring and reporting processes, including compliance with the European taxonomy, as well as the management of ESG ratings, sustainability indices and the Human Rights Policy, also reports to the Group's Chief Financial Officer (CFO), in order to ensure the ever-greater integration of these issues into corporate strategies and corporate reporting;
- the **Global Business Lines, Countries, Global Service Functions** and **Holding Functions** integrate ESG factors into their decision-making and operating processes, to create long-term sustainable value, thanks to the presence of dedicated Sustainability structures in all Countries, Business Lines and Global Service Functions. At the local level, the expectations of the various stakeholders are identified, and specific sustainability plans defined, in line with the Group strategy.

With specific reference to **governance for the management of climate change**, please refer to the "[Zero emissions target](#)" chapter of this document.

Furthermore, the Group CEO chairs the **Cyber Security Committee**, which consists of the Group's front line and the purpose of which is to approve the IT security strategy and periodically check the progress of its implementation. For more information on the activities carried out by the corporate bodies, please refer to the [Enel Report on Corporate Governance and Ownership Structure](#), available at www.enel.com, governance section, as well as the chapter on "Sound Governance" in this document.

Our participation in ESG standards/frameworks and in sustainable development organizations

2-28

-  Network/organizations
-  Standard/framework



1. Global Reporting Initiative

The Enel Group has been a member of the **Global Reporting Initiative (GRI)** since 2006, and part of the GRI Community since 2016. In 2022 Enel continued to engage with the other members of the Global Sustainability Standards Board and played an active role in completing the work of the "**Business Leadership Forum on the SDGs**", once again confirming its efforts to achieve the SDGs, while demonstrating commitment, accountability and transparency through corporate reporting. Since 2020, Enel has been part of the Global Sustainability Standards Board, the independent body that has the exclusive responsibility for developing and issuing the Global Reporting Initiative (GRI) Standards.



2. IFRS Sustainability Alliance

Even following the initial merger of IIRC and SASB into the **Value Reporting Foundation**, and then into the current **IFRS Sustainability Alliance**, in 2022 Enel continued to engage with the new organization to promote transparent, reliable and comparable reporting on environmental, social and governance issues.

3. Taskforce on Climate-Related Financial Disclosures (TCFD)

Enel has supported the Taskforce since the publication of the first recommendations in June 2017, promoting transparent and reliable information on the climate. In 2020, Enel was also a member of the TCFD Advisory Group which puts together recommendations on scenario analyses.

4. Science Based Targets initiative (SBTi)

Enel has certified through SBTi four targets, referring to both direct and indirect emissions along the entire value chain, with respect to the 2030 and 2040 horizons, in line with 1.5 °C and the criteria and recommendations of SBTi and its reference standards.



5. Taskforce on Nature-related Financial Disclosures (TNFD) Forum

In 2022, Enel continued to collaborate as a member of the **TNFD Forum**, a multi-stakeholder advisory group that supports the new **Taskforce on Nature-related Financial Disclosures (TNFD)** to provide a global framework by 2023 for companies and financial institutions to assess and report risks and opportunities linked to their operation's impact on nature and biodiversity. In October 2022, Enel was also selected as one of the companies that are part of **TNFD Pilot Program**, which will test the new TNFD framework under the WBCSD's guidance as part of three groups (energy, land use and built environment).

6. Science Based Target Network (SBTN) for Nature

After joining the **Science Based Target Network's Corporate Engagement Program** in 2021, Enel again committed to SBTN's goals and vision, and helped develop methods and tools in line with its targets. SBTN – a unique collaboration of not-for-profit and world-leading organizations – provides companies with guidance to set science-based goals for nature, water, oceans, land and biodiversity.



7. United Nations Global Compact

In 2004 Enel joined the United Nations Global Compact by committing to its ten founding principles on human rights, labor standards, environmental protection and anti-corruption. In 2022, Enel continued to be part of the "**CFO Coalition for the SDGs**", which it co-chairs, and sits on the new **Advisory Board**. Enel is also a member of the **Just Transition Think Lab** and a Patron of the new **Transformational Governance** portfolio, an initiative to explore new decision-making models to help companies be more responsible, ethical, inclusive and transparent. The Group also took part in Uniting Business LIVE organized by the Global Compact during the UN General Assembly week.



8. Sustainable Energy for All

Since 2011, Enel has been a partner of **Sustainable Energy for All**, an international organization that works in collaboration with the United Nations and global leaders in the public and private sector to advance SDG 7. Since 2020, the Group CEO has chaired the organization's Administrative Board, a position it will hold up until 2023. Enel upheld its commitment to the Energy Compacts in 2022: in addition to the **Group's Energy Compact** and that for the **green electrification of Sardinia** launched in 2021, the Group presented the **Santiago Energy Compact** to boost photovoltaic capacity and promote end-use electrification in the city of Santiago de Chile, helping to further progress on SDG 7 as reported in the **2022 Annual Progress Report**. In 2022 Enel also took part in the SEforALL Forum held in Kigali from May 17 to 19.



9. CSR Europe

Enel has been a member of CSR Europe since 2005. From 2016 to 2020, the Group served as vice-chair of the Board (of which it is currently a member) and was re-elected in 2022 for a further three-year term. Enel also joined the organization's new flagship initiative – the “Leaders Hub for an Inclusive Green Deal” – which focuses on a just transition for an inclusive Green Deal, where Enel has been engaged in the Steering Committee and workforce, communities and consumers working groups. The Group also played a key role in the **European SDG Summit** where the various working groups in which Enel took part presented their results:

- **Business Roadmap for Just Transition** of the People Leaders Hub;
- **Building Inclusive Workplaces Blueprint**, outcome of the People Centered Approach workshops;
- **Upskilling & Reskilling Report** of the Upskill4Future Project launched in 2021.

The Group also continued its work on the Biodiversity & Industry platform.

Lastly, we entered into a dialog to develop a performance indicator for companies on tax transparency and responsible tax behavior, and participated in the working group to draw up a blueprint and paper on composite raw materials.



10. World Business Council for Sustainable Development

Since 2016, Enel has been a member of the **World Business Council for Sustainable Development** and is represented both on the Board (of which the CEO is a member), and at Liaison Delegate level. In 2022, the Group continued to be involved in multiple programs and projects, including SOS 1.5 and Energy Transformation, for which it is also a member of the Steering Committee. Enel also joined the new **Business Commission to Tackle Inequality** initiative, of which Chairman Crisostomo serves as Commissioner. The Group has also played an active role in the following projects: “Healthy People, Healthy Business”, “Nature-based solutions” and “Mobility Decarbonization”. During the WBCSD Council Meeting, Enel was engaged in the dialogue on Business priorities for the global stocktake and Towards zero-emission mobility & buildings operations.



11. Sustainable Business Roundtable (SBRT)

In 2016, Enel joined the **Sustainable Business Roundtable (SBRT)**, and in 2022 it participated in meetings focusing on “The Board’s Role in Sustainability” and “Creating Sustainable Customer Value”.



12. Global Investors for Sustainable Development (GISD) Alliance

In 2022, Enel continued to uphold its commitment to the **Global Investors for Sustainable Development (GISD) Alliance**, an integral part of the UN **Strategy for Financing the 2030 Agenda for Sustainable Development**, of which the Group’s CEO is a member.

Enel has been an active contributor in the Alliance’s discussions on mobilizing investments in support of sustainable development, particularly in defining specific industry metrics related to the SDGs and their integration into existing reporting frameworks.



13. First Movers Coalition

In 2022, Enel signed a letter of commitment to join the **First Movers Coalition** – an initiative led by the US Presidency and State Department in close collaboration with the **World Economic Forum** at the WEF Annual Meeting in Davos. This global initiative is dedicated to decarbonizing **hard-to-abate industrial sectors** which are currently responsible for 30% of global emissions; Enel also joined the working group dedicated to **Steel**.



14. Sustainable Stock Exchanges Initiative

In 2022, Enel confirmed its participation in the **Sustainable Stock Exchanges Initiative** as an Official Supporter, and expressed its interest in participating in the new Advisory Board dedicated to Voluntary Carbon Markets.



15. GreenBiz Executive Network Europe

In 2022, Enel signed a new partnership with the **European GreenBiz executive network**, which supports large companies with achieving an even more deep-rooted sustainable transformation and increasingly ambitious development goals.



16. World Climate Foundation

In early 2023, Enel joined the **World Climate Foundation**, a multi-stakeholder and multi-sector network to promote the transition to a zero-emission and nature-positive planet through multilateral dialogue and partnerships, as well as investment in sustainable solutions.

Our materiality analysis and priorities for action

2-29

3-1

3-2

3-3

Considering the analysis of the ESG context, the materiality analysis process, via the involvement of stakeholders and relevant experts, makes it possible to define the material topics, that is the topics that represent the organization's most significant impacts on the economy, environment and people, in-

cluding impacts on human rights. The material topics are our action priorities based on which we define the sustainability goals targeted toward creating sustainable short, medium and long-term value and the content to be included in the documents that comprise Corporate Reporting.

The materiality analysis process framework

Context analysis

Identification and analysis of key **ESG megatrends**, current and future, to identify their risks, limit their impacts, and fully grasp their related opportunities

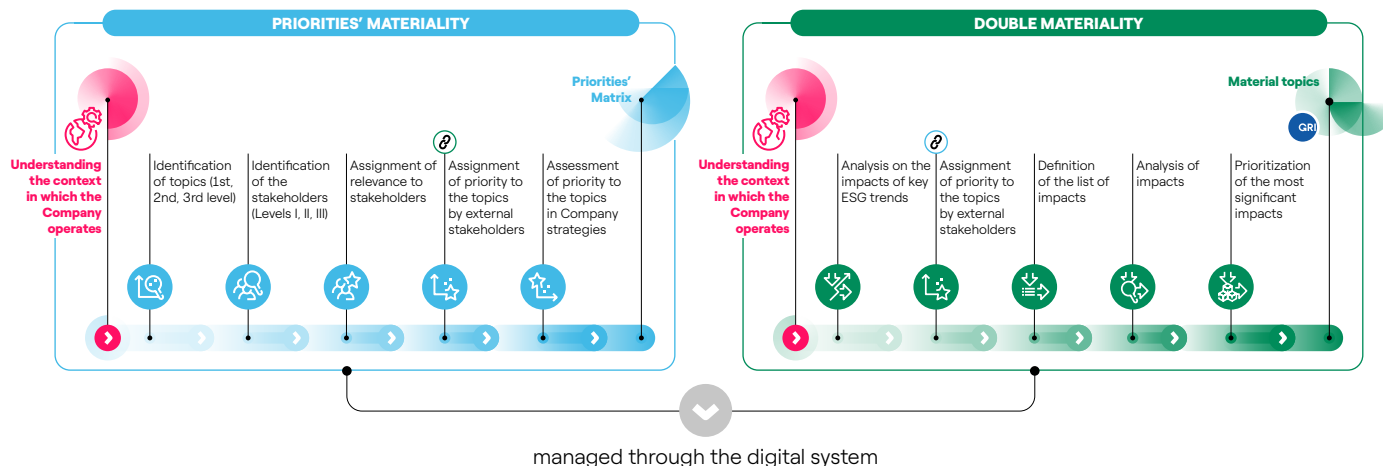
We involve our stakeholders and relevant experts

Priorities' Matrix

Identification and assessment of priority topics for the **Company** (Y-axis) and its key **stakeholders** (X-axis) representing the Group's **Priorities' matrix**

Double materiality

Identification of **material topics** based on the assessment of the **impacts generated** and **impacts suffered** (*impact materiality and financial materiality*)



e-mia®
Engagement - Materiality
& Impact Analysis

Enel performs the materiality analysis based on the most widespread international standards, including the Universal Standard GRI 2021 (Global Reporting Initiative), AA1000 (Accountability 1000) and taking into consideration the new requirements introduced on a European level by the Corporate Sustainability Reporting Directive (CSRD) and the Exposure Drafts of the European Sustainability Reporting Standards (ESRS) made available by EFRAG (European Financial Reporting Advisory Group). The Value Reporting Foundation – SASB and Compass SDG, which supports companies in adapting their strategies to the United Nations Sustainable Development Goals, were also considered.

Over the past two years, the perspective for identifying the priorities attributed by the Company and its stakeholders to ESG topics has been enriched by the view of the most significant generated and incurred impacts for the Company (the so-called **Double materiality** – impact materiality and financial materiality). From the point of view of “double materiality”, the impact model is of fundamental impor-













tance, because it makes it possible for the Company to identify the **material topics** and therefore concentrate on them in the best way possible, both in terms risks as well as opportunities.

Therefore if the **analysis of the most significant impacts guides the identification of the material topics, the priority topics direct the Company’s further efforts for following the strategic choices.**

The materiality analysis process includes a significant activity of **involving the stakeholders**, which makes it possible to always be open to listening to the individuals or interest groups that are influenced or could be influenced by the organization’s activities. Every year we start multiple types of initiatives in order to receive information about what is perceived by internal and external stakeholders in terms of priorities, satisfaction and impact of the submitted ESG topics.

The list of material topics (level I and II) is provided below.

Material topics (Levels I-II)

BUSINESS & GOVERNANCE	 Decarbonization of the energy mix <ul style="list-style-type: none"> Climate change Use of energy 	 Innovation, circular economy and digital transformation <ul style="list-style-type: none"> Ecosystem of innovation and sustainability Digitalization and cyber security Circular economy 	 Products and services for electrification and digitalization <ul style="list-style-type: none"> New technologies and solutions for homes, condominiums, cities, industries and financial activities Electric mobility 	 Customer centricity <ul style="list-style-type: none"> Ability to meet customer needs Quality of customer relations
	 Infrastructure and networks <ul style="list-style-type: none"> Improvement and development of grids Operational management of grids 	 Sound governance and fair corporate conduct <ul style="list-style-type: none"> Fairness in management conduct Structure of the Board of Directors and Top Management Fair and transparent communications 	 Economic and financial value creation <ul style="list-style-type: none"> Investment attraction Long-term value creation strategy 	
	 Occupational health and safety <ul style="list-style-type: none"> Health and safety of employees of contractors operating on Enel sites Health and safety of employees 	 People management, development and motivation <ul style="list-style-type: none"> Quality of corporate life People development Valuing employee diversity 	 Sustainable supply chain <ul style="list-style-type: none"> Responsible management of the procurement of goods, services and works Respect for human rights in the supply chain 	 Engaging local and global communities <ul style="list-style-type: none"> Social and economic development of local communities Consultation with the local community in the development of new projects
ENVIRONMENT	 Conservation of eco-systems and environmental management <ul style="list-style-type: none"> Water management Protection of biodiversity and natural capital Environmental governance 			

The detailed information regarding the materiality analysis process and the activities for stakeholder involvement is

provided in chapter “[Materiality analysis process and results for 2022](#)” of this document.

Our commitment to continuous improvement

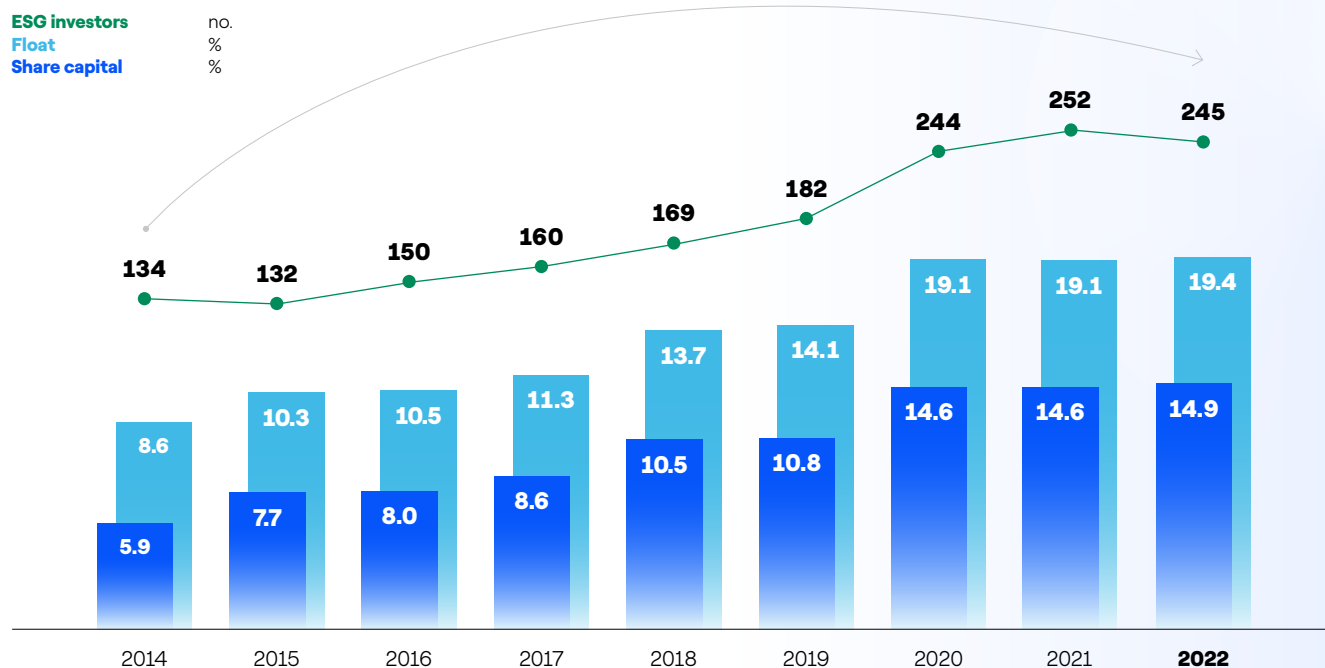
Sustainable investments

Sustainability represents a fundamental lever for creating economic and financial value. For this reason a consistent number of investors have integrated ESG issues in their investment portfolio over the past years in order to minimize financial risk and guarantee higher returns.

Thanks to international development and growing profitability, together with a strong sustainability policy and strategy targeted toward energy transition, as well as the adoption of best practices regarding transparency and corporate governance, Enel shareholders include national and international investment funds, insurance companies, pension and ethical funds. Since 2014, ESG investment funds (active and passive) have more than doubled their

share of Enel's share capital, reaching 14.9% at the end of 2022, up as compared to December 31, 2021 (14.6%). Their share of total institutional investors is also increasing, reaching 26.2% at the end of 2022, compared to 24.6% of the previous year. In absolute terms, 245 (vs 252 at the end of 2021) investors with investment funds consider not only the Group's financial performance but also the environmental, social and governance practices that Enel is integrating into its business strategy and all activities along the entire value chain. Furthermore, again at the end of 2022, 42.1% of Enel's capital was held by investors who were signatories of the United Nations Principles for Responsible Investment (UN PRI).

Growth in ESG investors




Sustainability-linked finance

In Enel, sustainable finance plays a crucial role in supporting Group growth, representing approximately 63% of gross debt at the end of 2022. In particular, structured transactions amounting to more than **23 billion euros equivalent** were carried out.

Sustainable finance means synergy between private and public finance. Private finance conveys private capital towards sustainable investments, i.e. for the benefit of companies whose strategic action is intended to achieve certain sustainability objectives, reflecting the economic and financial value of sustainability in a lower cost of debt. Public finance, on the other hand, stimulates the creation of sustainable investments, through grants and loans at subsidized interest rates. In 2020, Enel was the first company in the world to set up a **"Sustainability-Linked Financing Framework"**, an all-encompassing document that extends the sustainability-linked approach to all financial debt instruments. Indicators, targets and principles have been defined that govern the development of sustainable finance throughout the Group with ambition and transparency, linking the financial strategy to the sustainability objectives. The "Sustainability-Linked Financing Framework" was updated in January

2021, January 2022 and subsequently in February 2023, in line with the annual updates of the Group's Strategic Plan. In the last updated in February 2023, three new KPIs ("Scope 1 and 3 GHG emissions intensity relating to Integrated Power (gCO_{2eq}/kWh)", "Absolute Scope 3 GHG emissions relating to gas retail (MtCO_{2eq})" and "Proportion of Capex aligned to the EU Taxonomy (%)") were included in the framework, which contribute toward reaching SDG 7 and SDG 13 and the European Environmental Objective of Climate Change Mitigation.

The Group's financial instruments and operations can therefore have an interest rate or other financial or structural terms linked to reaching the goals associated with the reduction in direct and indirect greenhouse gas emissions (SDG 13 "Climate action"), the increase in installed capacity powered by renewable sources (SDG 7 "Affordable and clean energy") and the percentage of total Capex, carried out during a certain period, in activities that are qualified as sustainable from an environmental point of view according to the criteria specified in article 3 of the regulation on EU Taxonomy (2020/852). The KPIs and targets included in the latest update of Enel's Sustainability-Linked Financing Framework, published in February 2023, are listed below.

KPI	Actual values	Sustainability Performance Targets (SPT)					
	2022	2022	2023	2024	2025	2030	2040
GHG Scope 1 emission intensity related to power generation (gCO _{2eq} /kWh)	229		148	140	130	72	0
GHG Scope 1 and 3 emission intensity related to Integrated Power (gCO _{2eq} /kWh)	218				135	73	0
Absolute Scope 3 GHG emissions relating to gas retail (MtCO _{2eq})	22.9				20.9	11.4	0
Percentage of installed renewable capacity (%) ⁽¹⁾	63.1% 	60%	65%	66%	76%	85%	100%
Proportion of Capex aligned to the EU Taxonomy (%)	81.9%	—————>80%—————					

Target:  Outdated

(1) Excluded from the calculation are 531.1 MW of acquired capacity, deriving from power plants acquired by the Group, according to what is indicated by the contractual documentation of the individual instruments.

Having achieved a percentage of renewable installed capacity of 63.1% of total installed capacity as of 2022, Enel has reached the target set in all those financial instruments in which the interest rate, or other financial or structural terms of the transaction, are linked to the achievement of a percentage of renewable installed capacity of 60% or more. Particularly noteworthy is the achievement of the targets set by the first sustainability-linked bonds issued by Enel Finance International NV (EFI) in 2020 in Pound Sterling. The trend of the five above-mentioned KPI, at

the relative date of reference, will be verified by an external verifier. Furthermore, Enel will report every year on its performance regarding the five KPI, as appropriate, in its Annual Financial Statements and/or Sustainability Report – Non-Financial Statement and/or on its website.⁽⁹⁾

In 2022 the Group, through its financial subsidiaries, EFI and, for the first time EFA (Enel Finance America, LLC), issued approximately 12 billion euros in **sustainability-linked bonds** in various markets and currencies.

(9) <https://www.enel.com/investors/investing/sustainable-finance/sustainability-linked-finance/sustainability-linked-bonds>.

For this reason, it is worth recalling that in June 2022 EFI launched a multi-tranche bond emission on the market in US dollars and linked one of the tranches to the Group's goal of reaching zero emissions of "Scope 1 GHG emissions intensity relating to power generation ($\text{gCO}_{2\text{eq}}/\text{kWh}$)" by 2040. This was the first time ever for an energy multinational.

In May 2022, Enel and EFI increased the amount of the current Sustainability-Linked Revolving Credit Facility from 10 billion euros to 13.5 billion euros, the world's largest sustainable credit line linked to SDG 13.

With regard to **commercial papers**, in April 2022 EFI renewed and increased its commercial paper program from 6 to 8 billion euros, which is linked to KPI "Scope 1 GHG emissions intensity relating to power generation ($\text{gCO}_{2\text{eq}}/\text{kWh}$)" of less than or equal to 148 $\text{gCO}_{2\text{eq}}/\text{kWh}$ by 2023 and less than or equal to 140 $\text{gCO}_{2\text{eq}}/\text{kWh}$ by 2024.

Furthermore, Enel has signed agreements with different financial counterparties for derivative instruments and sustainable guarantees, both linked to the Group's ability to reach its sustainability goals over the next years.

In February 2023, EFI launched a sustainability-linked bond in two tranches for a total of 1.5 billion euros: the new issue combined for the first time world-wide a KPI linked to the taxonomy of EU with a KPI linked to the United Nations sustainable development goals ("SDG"), also providing for goals of complete decarbonization.

In the field of **public finance**, the Group supports the economic recovery plan and aims to become a strategic partner for the adoption of the Green Deal and the Recovery Plan at both the national and European level. The objective is to drive a sustainable, rapid and effective recovery, through a wide pipeline of construction projects focused on decarbonization, electricity grids and electrification, allowing the green and digital transition of the European

economy to be accelerated, with a significant impact in terms of GDP, employment and reduction of CO_2 emissions and in full alignment with the European Taxonomy. To this end, the Group has identified potential investments of approximately 4.3 billion euros for the period 2023-2030, with a direct impact on the Group through the ownership and the stewardship model. These initiatives are focused on green hydrogen, renewables and storage, revitalization of the photovoltaic manufacturing industry, smart grids, network resilience and charging infrastructure for electric mobility. The Group has also promoted partnerships with both public and private entities, with a view to achieving the decarbonization and electrification of consumption through the spread of electric bus fleets, the transition towards green ports and the promotion of energy efficiency in public buildings.

Furthermore, in the context of subsidized loans from international and national financial institutions, the Group is leading an innovation process intended to accelerate the mobilization of capital to support sustainable growth, through the use of **sustainability-linked financial instruments**.

More specifically, in 2022 the Group signed subsidized loans for a total of 1.8 billion euros, which, as in the case of private financing, provide for the inclusion of sustainability-linked mechanisms linked to SDG 13. Among the main operations, a special mention must be made of the sustainability-linked borrowings for a total of 800 million dollars by EFA, a Group company, and EKF (Danish export-credit agency), the first sustainability-linked borrowings agreement for the latter.

In the coming years, Enel will continue to make use of sustainable finance tools, with the aim of achieving a sustainable debt share of the Group's total debt of approximately 70% by 2025.

Participation in international round tables to promote sustainable finance

The focus on sustainable finance is being confirmed, strengthening Enel's commitment to key global stakeholders, through the co-chairmanship of the United Nations Global Compact's CFO Coalition for the SDGs and involvement in the UN Global Investors for Sustainable Development (GISD) Alliance.

After the launch of "Principles on Integrated SDG Investments and Finance", the CFO Coalition focused its work on analyzing the targets defined by companies for the SDGs and the relative KPIs, business cases for the adoption of an SDG finance & investment strategy, and development of profiles by macro sector. In this context, the CFOs therefore invested more than 110 billion dollars in support of

the SDGs achieving an increase of 55% in SDG finance as compared to the previous year. Furthermore, an Advisory Board was established, which includes Enel, which will provide sector-specific and geographical skills, help coordinate exchanges between CFOs and the largest community of sustainable finance on specific issues, and will provide information and contacts for the recruitment of new Coalition members.

Equally important are the results obtained from the collaboration with the GISD Alliance, such as the update of the Model Mandate, which is a guide for asset owners to guarantee that the management and sustainability goals are fully reflected in the agreements and contracts with

the managers of these assets. Furthermore, as Enel is a member of the GISD Alliance, contribution was given to the joint statement of the Alliance as a response to the public consultation launched by the International Sustainability Standard Board (ISSB) in terms of sustainability reporting. Also the work performed on a European level through our stakeholder of reference, CSR Europe, was considerable. In fact, on occasion of the European SDG Summit 2022, Enel participated in the roundtables: "The Role of Double Ma-

teriality in Sustainability Reporting" regarding how double materiality is integrated in the CSRD and how companies can approach it, and "The Challenge of Circularity in the Green Transition" regarding the circular economy and the energy transition.

Also worth mentioning is Enel's involvement in the series of interviews on sustainable finance organized by the UN Sustainable Stock Exchanges Initiative.

Our position on and commitment to the European Taxonomy

Enel welcomes the development of the European Union (EU) Taxonomy Regulation, as it provides a standardized, science-based classification system to identify environmentally sustainable economic activities.

The EU Taxonomy Regulation acts as an important enabler to promote sustainable investments and accelerate the decarbonization of the European economy, while at the same time creating reliability and transparency for investors and supporting companies in planning the Net-Zero transition.

We are fully committed to reporting on the implementation of the European Taxonomy Regulation pursuant to its Article 8 thereof and the Delegated Act which further specifies the content, methodology and presentation of information to be disclosed by companies of both a financial and non-financial nature.

As regards the Climate Delegated Act, which establishes criteria for verifying the contribution to climate mitigation and adaptation, we welcome the different thresholds defined in the Taxonomy based on climate and environmental sciences, such as the specific emission limit of 100 gCO_{2eq}/kWh (taking into account the whole life cycle) to measure the substantial contribution to the climate change mitigation target set for most energy production technologies, as it is derived from a robust, science-based process.

However, there are some activities that, although not covered under the EU Taxonomy Regulation, are critical to promoting the well-being of the public, especially in the short and medium term, while contributing to the sustainable development in the long term.

As regards the energy industry, there are some important sustainability-related issues that the European Commission did not consider when developing the technical screening criteria, as they were outside the main scope of

the EU Taxonomy Regulation. These issues include energy security, grid reliability or energy transition, which are crucial for Europe's well-being and are appropriately addressed by other policies, funds and regulations at EU and Member State level.

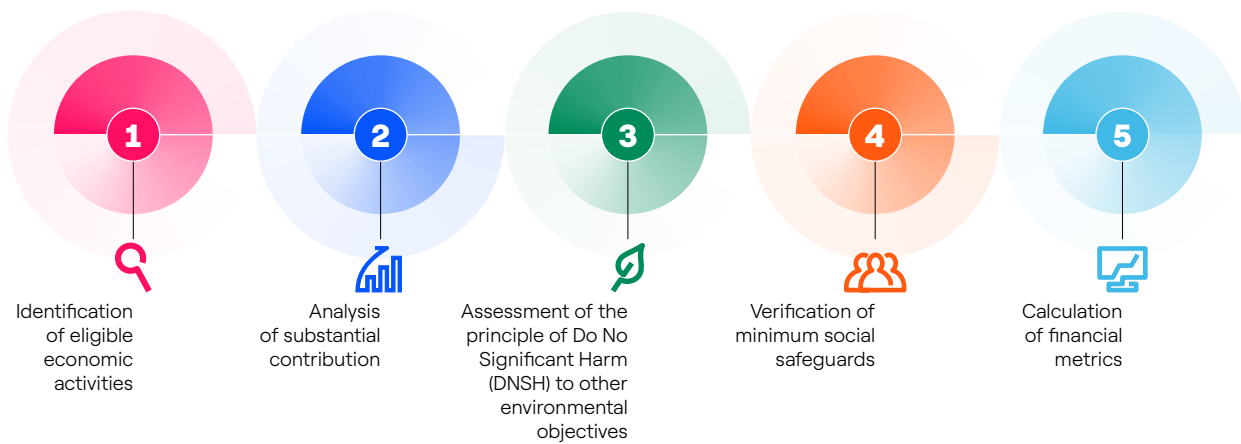
The EU Taxonomy Regulation is still in a developmental stage, and a number of important Delegated Acts are still being finalized at the time of publication of this Sustainability Report. These include acts that will detail the criteria for the remaining four objectives (sustainable use and protection of waters and marine resources; transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and of ecosystems) as well as those that will identify economic activities that do not have a significant harmful impact on environmental sustainability and those that do significantly damage it. **Completion of the entire regulatory process should ensure that all globally recognized economic activities are considered, thereby reducing current uncertainties regarding implementation of the process itself.**

Going beyond the disclosure requirements of the Taxonomy, Enel has included the **Capex alignment** percentage as one of the key performance indicators of the **Sustainability-Linked Financing Framework** used to define the Company's sustainable financial instruments. With this important move forward, Enel reinforces the role of the Taxonomy as a driver to promote sustainable investment decisions and show how sustainability can be fully integrated into the financial landscape.

Enel holds its annual Capital Markets Day to align its capital allocation with the EU Taxonomy set out in its Business Plan. In particular, in 2022 Enel announced **a target in excess of 80% Capex alignment for the period 2023-2025** as part of its contribution to climate mitigation.

Our implementation process and eligible activities

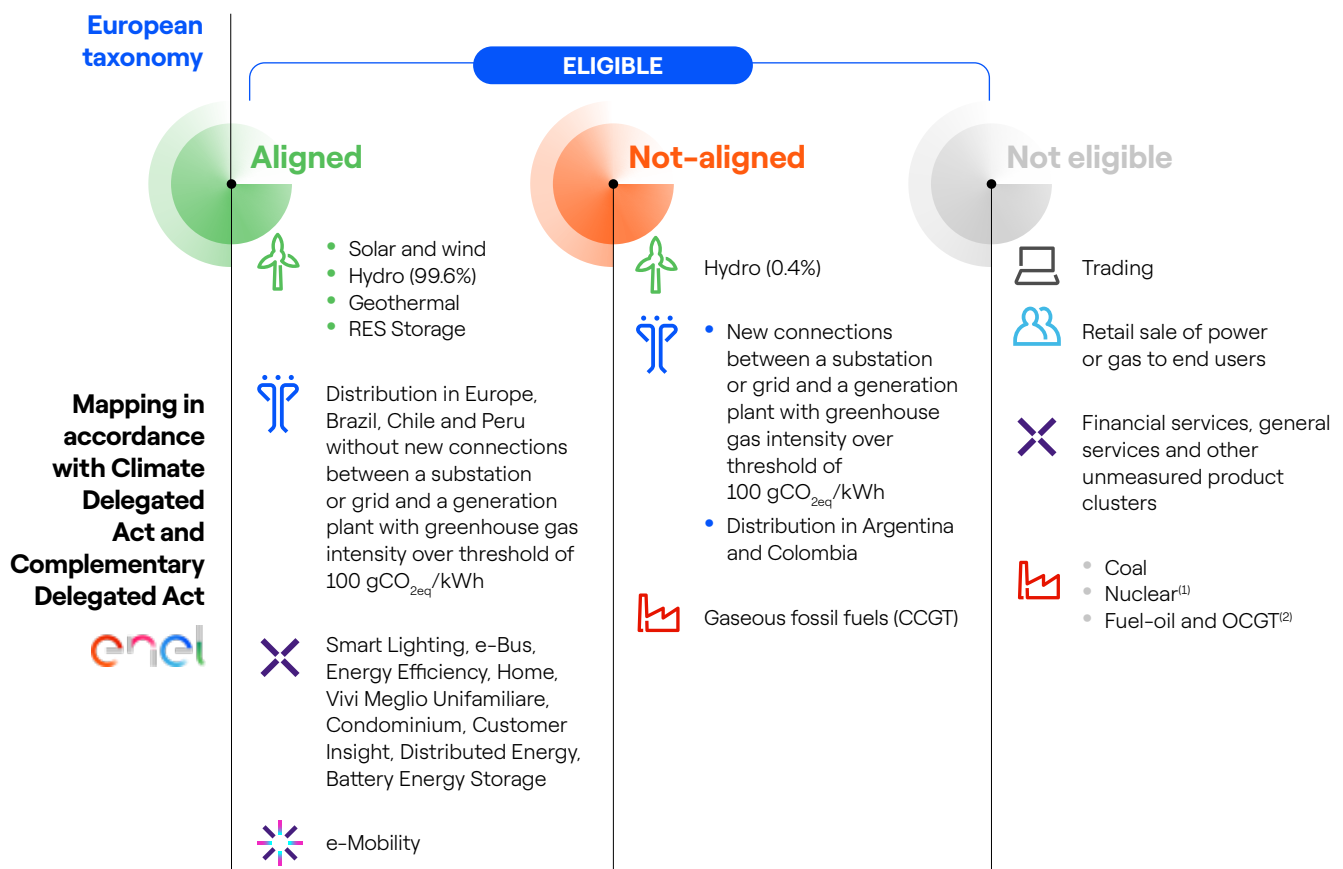
In 2020 we defined a **structured process for implementing the European Taxonomy** based on **5 phases**:



Over the past year, we have updated our eligibility analysis according to the process under the final version of the Climate Delegated Act published in the Official Journal of the European Union in December 2021 and under the Com-

plementary Delegated Act published in the Official Journal of the European Union in July 2022.

Below are the activities of the business classified according to the European Taxonomy (Art. 8 EU Reg. 852/2020).



(1) The operation of our nuclear generation portfolio is not included among the eligible activities considered by the Complementary Delegated Act in the generation of electricity from nuclear power plants.

(2) Includes both fuel-oil and gas (OCGT) as it is not possible to divide the two types of fuel. Fuel-oil was considered to be the prevalent fossil fuel and is therefore not eligible under the EU Taxonomy Regulation.

The high level of alignment of our economic activities with the EU Taxonomy Regulation in 2022, made possible by their substantial contribution to the climate change mitigation

objective while respecting the principle of doing no significant harm (DNSH) to other environmental objective and observing the minimum social safeguards, is shown below:

% 2022 alignment of business activities to the European Taxonomy

56.7% of ordinary gross operating profit (EBITDA)	The EBITDA percentage of Taxonomy eligible and aligned businesses decreased in 2022 compared to 2021 ⁽¹⁰⁾ (63.9%), primarily due to changes in revenue (see details below).
21.4% of turnover	In 2022, there is a strong increase in absolute terms in turnover compared to 2021 ⁽¹⁰⁾ (33.9%). This increase was most pronounced in non-aligned activities, such as power generation from gaseous fuels, and non-eligible activities, such as trading and marketing of electricity and gas and power generation from coal, mainly due to the market situation with high prices and higher thermal generation. The aligned turnover therefore decreases by 12%.
81.9% of capital expenditure (Capex)	The actual 2022 Capex for eligible aligned activities is 4.5% higher than the Capex planned for 2022 in the Strategic Plan 2022-2024 for the same activities. This change is mainly due to higher investments in absolute terms in eligible and aligned activities than planned (over €0.5 billion) and also to adjustments made in the EU taxonomy accounting process, such as the integration of costs accounted for under IFRS 16 Leases, paragraph 53 (h), which had not been taken into consideration in the Strategic Plan 2022-2024.
66.9% of operating expenditure (Opex)	The percentage of Opex of Taxonomy eligible and aligned activities increased in 2022 compared to 2021 (60.8% in 2021 ⁽¹⁰⁾), mainly due to higher maintenance costs incurred in renewable energy production and Taxonomy-aligned distribution activities.

Details of the steps related to the implementation process and results for each KPI (EBITDA, turnover, Capex and Opex) and specific tables on nuclear and fossil gas activities as required by Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 concerning economic activi-

ties in certain energy sectors and Delegated Regulation (EU) 2021/2178 concerning specific public disclosures for these economic activities are provided in the appendix to the Sustainability Report in the chapter "Our position on and commitment to the European Taxonomy".

(10) The 2021 figure has been restated based on methodological changes mentioned in the section "Process for calculating the financial metrics".

Sustainability ratings, indices and benchmarks

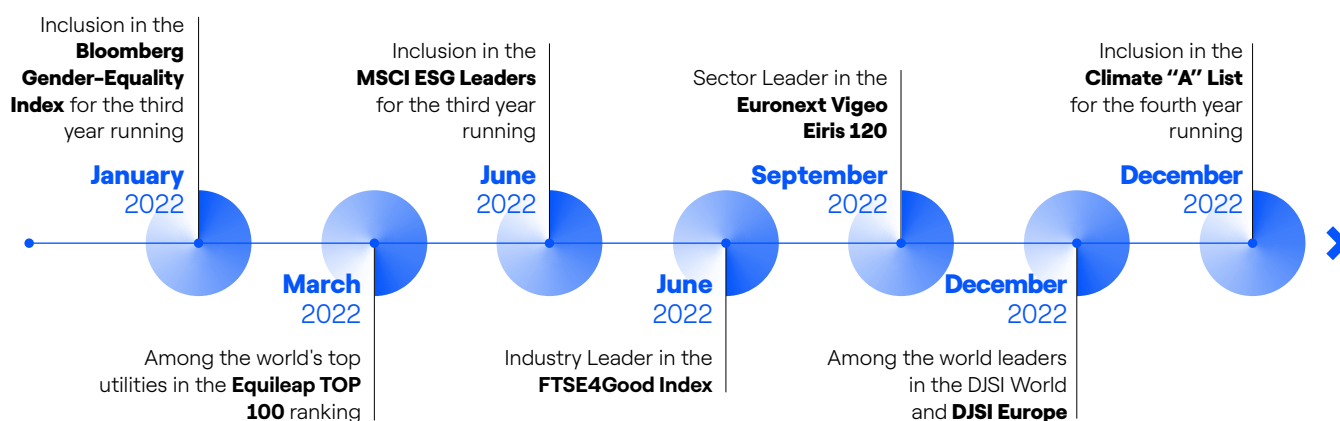
ESG analysts and rating agencies continuously monitor Enel's sustainability performance, by different methods, in relation to environmental, social and governance issues. ESG ratings are a strategic tool to support investors in assessing sustainable business models and identifying risks and opportunities linked to the sustainability in their investment portfolio, aiding the development of active and passive sustainable investment strategies.

Enel is constantly committed to managing and reporting all ESG aspects, considering the assessments of the rating agencies as an important opportunity to improve its performance in terms of sustainability and devising specific action plans with the involvement of the various company units and Business Lines. The main actions implemented

also thanks to these plans have concerned: increasing the transparency of performance related to ESG issues, reinforcing the process of due diligence of human rights, the complete mapping and assessment of the climatic associations with respect to the Paris objectives, defining and reporting the biodiversity "No Net Loss" target, improving the reporting of Scope 3 emissions, in particular those related to the supply chain.

In 2022, Enel maintained its positioning in the main ESG indices and rankings, reaching leadership positions in most cases. Enel was also the first company to fully align its company reporting to the **Net-Zero Company CA100+** Benchmark and was included in the **Just Transition Assessment** of the World Benchmarking Alliance.

Key milestones 2022:



Main ESG Indices & Rankings



Main ESG ratings

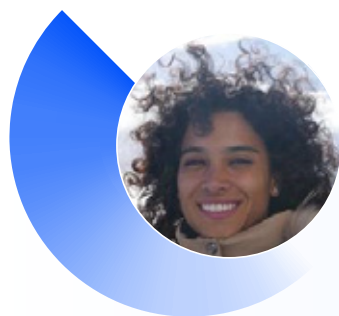
	Rating	Ranking	Sector average	Scale (low high)
MSCI	AAA	Top 10 / 144 utilities	BBB	CCC AAA
Sustainalytics ESG Risk Rating	21 (Medium risk))	30 / 296 electric utilities	33.2	100 0
S&P ESG Scores	90	2 / 250 electric utilities	32	0 100
CDP	A (climate) B (water)	-	B B	D- A
Refinitiv ESG Rating	92	1 / 302 electric utilities	-	0 100
FTSE Russell ESG Rating	4.9	1 / 41 electric utilities	2.8	0 5
Vigeo Eiris ESG Rating	75	1 / 65 electric utilities	52	0 100
ISS ESG Score	B	-	C	D- A+
Reprisk Rating	42	-	48	100 0



Advisory panel

This year too, we have involved a group of external experts (advisory panel) to strengthen our sustainability reporting. The panel helps to assess and improve the quality and credibility of our Sustainability Report and to increase our level of ambition.

In particular, for the 2022 Sustainability Report, two sustainability experts were involved, with specific reference to issues related to corporate strategy and sustainable finance.



Anjali Pandit

(Head of Sustainable Bonds – EMEA & Americas, HSBC)

"This year's Sustainability Report also confirms Enel's leadership in reporting to the market and communicating its sustainability performance in a transparent manner. The report is a structured representation of Enel's enormous commitment to analyzing and reporting on the impacts resulting from its capacity to innovate and grow, by supporting workers and communities to achieve the objectives of combating climate change and conserving natural capital."

Anjali Pandit is Head of Sustainable Bonds for EMEA and the Americas. She runs a team of ESG specialists across New York and London who support issuers in the public, private sectors and financials. She is responsible for supporting strategic clients with navigating ESG trends in fixed income markets and enhancing engagement on ESG with investors through labelled ESG frameworks or increased disclosure. Anjali represents HSBC on the ICMA EXCOM for the Principles. Anjali has an extensive background in ESG having worked across the private, public and financial sector as a sustainability expert. Previously Anjali worked at BNP Paribas, where she led ESG for BNP Paribas' debt syndicate desk, developing deep relationships with both ESG bond issuers and investors. Anjali also worked in the corporate sector at Tata Group, in various roles including as a manager for public policy in the Group Chairman's office & heading marketing for an ESG data solutions offering for their IT business, TCS. She has also worked with a number of non-profit or social businesses such as Al Gore's The Climate Reality Project, Greenlight Planet, the Obama Administration and The International Energy Agency.



Paolo Taticchi

(Vice preside e professore ordinario di Strategia aziendale e sostenibilità presso lo University College London)

"Enel's approach to reporting reflects a clear effort at transparency, as well as great maturity in the ability to quantify ESG metrics. My feedback focused on simplifying the language and improving the graphics to make them easier for readers to comprehend."

Paolo Taticchi is Deputy Director and Professor in Strategy and Sustainability at the School of Management, University College London, one of the top ten universities in the world.

He has authored numerous scientific articles and books. His academic work has seen him teach and develop projects in over 20 countries, conduct training for Fortune Global 500 companies and give keynote speeches at major corporate and government summits.

Paolo is currently a consultant for major organizations in the United Kingdom, United States, Canada, Italy and India, and a scientific advisor to the Italian Ministry of Ecological Transition. His profile and projects have been featured over 350 times in international media such as the Financial Times, Forbes, Sky and CNN.

In 2018, he was cited by Poets & Quants and by Forbes in the top 40 business professors aged under 40 in the world. In 2021, Il Sole 24 Ore named him the most influential Italian under the age of 40 in the world.

The experts provided input on our process of determining the structure of the document and the contents relating to the chapter “Our sustainable progress”, which gives an

overall view of the management of sustainability in the Enel Group. Panel members are unpaid.



Concept design and realization

Gpt Group

Copy editing

postScriptum di **Paola Urbani**

Publication not for sale

Edited by

Enel Communications

Disclaimer

This Report issued in Italian has been translated into
English solely for the convenience of international readers

Enel

Società per azioni

Registered Office 00198 Rome - Italy

Viale Regina Margherita, 137

Stock Capital Euro 10,166,679,946 fully paid-in

Companies Register of Rome and Tax I.D. 00811720580

R.E.A. of Rome 756032 VAT Code 15844561009

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