



INTEGRATED ANNUAL
REPORT **2023**



We live in an increasingly interconnected world where the companies that will continue to thrive in the long run will be those able to act collectively, creating and sharing value with all stakeholders. This is what the graphic design of the Enel Group's Corporate Reporting expresses through the development of connected and balanced forms. Elements inspired by nature, whose movement offers a narration of harmony, growth and evolution.



INTEGRATED ANNUAL REPORT **2023**



Paolo Scaroni

Chairman



Flavio Cattaneo

Chief Executive Officer
and General Manager

LETTER TO SHAREHOLDERS AND OTHER STAKEHOLDERS

Dear shareholders and stakeholders,

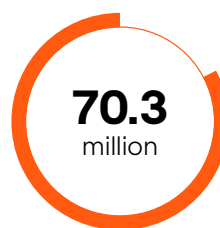
Last year was marked by an important change in the management of the Enel Group, with the election of the entire Board of Directors and the appointment of the new Chairman in the person of Paolo Scaroni. The Board of Directors in turn entrusted the position of Chief Executive Officer to Flavio Cattaneo.

The extraordinary events that have impacted the global geopolitical and macroeconomic environment have generated unprecedented volatility in the energy system and wrought structural changes in the energy market. In this context, our new management has delineated the new strategy underpinning the Group's 2024–2026 Business Plan, which envisages: (i) the rigorous allocation of resources to boost the return on capital employed, together with the balancing of risk and return in investment decisions and models; (ii) greater efficiency and effectiveness in processes and organizational structure, seeking to increase accountability and free up financial resources to drive the industrial development

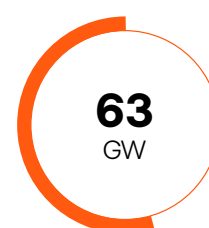
of the Group; and (iii) financial and environmental sustainability, confirming our commitments to the energy transition and the electrification of energy consumption, while ensuring a more balanced and sustainable financial structure.

In 2023, Enel confirmed its position as the largest private renewable power generator in the world, with 63 GW of managed capacity (including our growing and necessary battery energy storage capacity) and the largest private electricity distribution company at the global level, with over 70 million end users served by grids that will have to deliver increasing levels of resilience and digitalization to support the electrification of energy consumption. Furthermore, we have the largest customer base among private companies, with some 61 million electricity and gas customers.

The Group's leadership in sustainability has once again been recognized worldwide, underscored by its constant presence in various major sustainability rankings and indices.



End users

Renewables
capacity managed

The macroeconomic environment

In 2023, global growth proved more resilient than expected at the beginning of the year, thanks to a faster-than-expected reduction in inflation in many economies, supported by the gradual normalization of energy commodity prices and the gradual easing of supply chain bottlenecks. Many governments' energy support programs also helped mitigate the impacts of the turbulence on household incomes and support productive activity in many economies.

However, the results differed among countries: growth was solid in the United States, sustained by the recovery in public and private spending, and in Latin America, where inflation slowed and political and labor market conditions improved. Conversely, much of the euro area experienced an abrupt economic slowdown, reflecting both the restrictive monetary policy stance adopted by the European Central Bank in order to counter inflationary pressures and weak foreign demand, also accompanied by challenging geopolitical developments in the Middle East.

With regard to the energy industry, in 2023, the European gas market displayed a significant downward trend in prices, thanks to high levels of storage and declining demand, with the average reduction in TTF (Title Transfer Facility) prices exceeding 65% compared with 2022, reaching about €35/MWh in the last quarter of 2023. Coal-fired generation also declined, primarily discouraged by the rise in CO₂ prices within the ETS (Emissions Trading System), despite coal prices plunging by 55.5% to an average of \$129/ton.

Compared with 2022, electricity prices in Italy and Spain fell sharply, reflecting the decline in energy commodity prices and, in part, growing renewables generation. More specifically, electricity prices in Italy decreased by 58% compared with the previous year, while in Spain they dropped by 48%.

In the metals sector, economic weakness adversely impacted the prices of aluminum and copper, with declines of 16.6% and 3.8% respectively compared with 2022. Metals associated with renewable energy technologies, such as lithium and polysilicon, experienced an even steeper slide in prices as demand contracted.

Performance

Thanks to management actions and our focus on the core business, the Group closed the 2023 financial year having achieved our full-year targets as revised upwards in the 3rd Quarter and announced to the market, with ordinary EBITDA of €22.0 billion and an ordinary net profit of €6.5 billion, up 12% and about 21%, respectively, compared with the previous year. The dividend that will be proposed to shareholders for 2023 amounts to €0.43 per share, 75% higher than that for 2022. In terms of cash generation, FFO in 2023 amounted to about €14.8 billion, up more than 60% compared with 2022. Net debt is equal to €60.2 billion, with the net debt to ordinary EBITDA ratio improving from 3.1x to 2.7x. This last indicator does not yet reflect the effects of the proceeds generated by divestments, already announced to investors and subject to binding agreements between the parties, carried out in 2023 as part of the extraordinary plan to reduce the Group's financial debt. Recall that the Plan approved in 2022 to restore a sustainable and balanced Group financial structure provided for the sale of Group investments and other assets of over €12 billion in 2023 alone.

Main events

In 2023, the Group confirmed its hard-won technological leadership in renewables generation and distribution grids.

On the power generation front, in 2023 Enel built out about 5.3 GW of new renewables capacity (including 934 MW of battery storage), reaching a total of approximately 63 GW of installed capacity and a volume of renewables generation of 140 TWh/year. The capacity we operate is also supported by a pipeline of projects in the advanced development phase of up to 160 GW.

In the power distribution segment, our strong commitment to modernizing and digitalizing electricity grids continues, both to increase their resilience to increasingly extreme and frequent climate events and to make them ready to play the role of enablers of the energy transition: during the year, Enel Grids activated almost 540,000 new

producer and prosumer⁽¹⁾ connections globally, adding about 8 GW of distributed renewables capacity connected to our grids, reaching a total of some 68 GW of capacity from approximately 2 million producer and prosumer connections.

The development of a portfolio of products dedicated to residential consumers, businesses and municipalities also confirmed the Group's leading role in fostering the energy transition and the electrification of consumption.

In 2023, Enel X Global Retail operated at full capacity with a new, more tightly integrated structure to reap the benefits of bundled packages of electricity, gas, electric mobility, energy efficiency and ultra-fast connectivity services. An example of this is the "Formidabile" offer, launched in Italy at the end of October 2023 and in Spain at the beginning of 2024. Our commitment to improving the customer experience also continues: in 2023 commercial complaints decreased by 12%⁽²⁾ compared with the previous year, and in February the German Institute for Quality and Finance awarded Enel Energia its "Nr. 1 in Service" quality seal based on customer satisfaction in the electricity and gas sector, with a score of 74.2%, well above the category average of 55.9%.

The new Enel Global Service Function, which groups together Global Information & Communication Technologies, Global Procurement, Global Customer Operations and the newly established Workforce Evolution, continued the Group's digital transformation path, focusing on solutions and advanced technologies, such as artificial intelligence and quantum computing solutions. Thanks in part to the key skills we have developed internally, to date we have over 500 traditional and generative artificial intelligence applications in operation or in the development phase, mainly to support the Generation, Distribution and Retail businesses. Furthermore, the Workforce Evolution unit will promote the evolution of employee skills consistent with these new technological tools and with the strategic repositioning of the Group, in order to foster greater internal control over higher value activities and guarantee our distinctive positioning in the markets and sectors in which the Group is present.

The Group continues to follow the decarbonization roadmap in line with limiting global warming to below 1.5 °C. In 2023, absolute direct and indirect greenhouse gas emis-

sions along the Group's entire value chain, equal to 94.3 MtCO₂eq, declined by 26.3% compared with 2022, and remain in line with the targets for 2030 and 2040 certified by the Science Based Targets initiative (SBTi).

The financial instruments employed by the Group are also closely linked to sustainability objectives. In 2023, Enel Finance International NV issued euro-denominated sustainability-linked bonds in the amount of €1.5 billion, using multiple key performance indicators (KPIs) to further strengthen Enel's commitment in accelerating the energy transition. For the first time, in fact, a tranche of a publicly placed bond involved the combination of a KPI linked to the EU taxonomy with a KPI linked to the United Nations Sustainable Development Goals (SDGs), while the other tranche of the bond was linked to two KPIs associated with the Group's full decarbonization trajectory through the reduction of direct and indirect greenhouse gas emissions. These bond issues have enabled us to achieve a ratio between the sources of sustainable financing and the Group's total gross debt of approximately 64%, a level that will rise further over the period of the Plan.

In parallel, in order to reduce debt and strengthen the Group's financial structure, our new management team has revised the divestment plan referred to earlier with a view to portfolio rotation focused on maximizing the value of assets. In this context, the Argentine thermal generation companies Enel Generación Costanera SA and Inversora Dock Sud SA were sold during the year, and agreements were signed for the disposal of the Peruvian electricity distribution and supply company Enel Distribución Perú SAA, the advanced energy services company Enel X Perú SAC and the electricity generator Enel Generación Perú SAA. The divestment of all the investments held by the Group in Romania was also completed. Asset rotation transactions were also completed, including the sale of a portfolio of photovoltaic plants in Chile (416 MW) and the entire geothermal portfolio in the United States, as well as several small solar plants in that country. Finally, in line with the strategy presented to investors on our stewardship approach in non-core countries, acting through the subsidiary Enel Green Power SpA we completed the sale of 50% of the two companies that own all of the Group's renewables operations in Australia to INPEX Corporation, while the sale of 50% of Enel Green Power Hellas to Macquarie Asset Management was finalized.

(1) "Prosumer", a contraction of "producer" and "consumer", is an individual or firm that not only consumes goods and services but also produces them, such as, for example, by installing photovoltaic panels to generate electricity.

(2) Reduction in new complaints for each 10,000 customers.

Strategy and forecasts for 2024–2026

Short-term global uncertainties have forced electricity companies to increase their flexibility and improve the visibility and predictability of prospective returns.

In this context, over the 2024–2026 Plan period the Enel Group plans to focus on:

- profitability, flexibility and resilience through selective capital allocation aimed at optimizing the Group's risk/return profile;
- efficiency and effectiveness as drivers of the Group's operations, based on process simplification, a leaner organization with defined responsibilities and a focus on core geographies in which the Group has an integrated position (Italy, Spain, Brazil, Chile, Colombia and the United States), as well as boosting operational efficiency in order to maximize cash generation and offset inflationary pressures and the higher cost of capital;
- financial and environmental sustainability to pursue value creation with a balance and solid financial structure, addressing the challenges of climate change.

In this scenario, regulated businesses will be at the center of the Group's strategy, with a concentration of investment in geographical areas with a clear and predictable regulatory framework as well as stable macroeconomic environments. Investment decisions on renewables will be more selective, seeking to achieve a positioning that maximizes returns and mitigates risks at the same time. Finally, the Group plans to optimize its customer portfolio and end-to-end processes, enhancing efficiency in customer acquisition and management, improving customer loyalty through bundled offers and promoting the electrification of energy consumption. The generation and retail businesses will be managed in a more integrated manner, with a flexible approach to sourcing strategies in order to maximize profitability along the entire value chain.

In the 2024–2026 period, the Group's gross investments will amount to €35.8 billion, of which €18.6 billion will be allocated to Grids, €12.1 billion to Renewables and €3 billion to Customers.

Thanks to the implementation of a less capital- and risk-intensive business model, investments will have a smaller cash requirement, with expected net investments of about €26.2 billion thanks to access to European grants and financing (up to €3.5 billion) and the use of a diversified co-investment model for renewables projects (a total of about €6.1 billion).

Investments in distribution grids will increase their efficiency, flexibility and resilience: more than half will be

allocated to grid strengthening, remote operation, automation and digitalization projects in order to deliver high standards of service quality and reduce power losses. In addition to managing assets, the remainder will be allocated to expanding hosting capacity⁽³⁾ to meet customer demand for new connections and encourage the integration of distributed generation from renewable resources, all to support the energy transition and the electrification of final energy consumption.

Investments in renewables will add 13.4 GW of new capacity, bringing the Group's total to 73 GW (including energy storage systems) by 2026, with the share of zero-emissions generation growing from 75% to about 86%.

The push for innovation will continue to be a strategic driver: in generation, it will improve plant performance through the introduction of new technologies along the entire value chain. The use of repowering⁽⁴⁾ and automation is also expected to increase the efficiency of plants and processes, as will testing of new battery technologies and energy storage systems, whose role will be increasingly important in ensuring the flexibility of electrical systems. In grids, digitalization, new automation models and the introduction of new technologies will enable new approaches to remuneration.

Finally, the Group will continue to pursue the evolution of new technologies that will mature over the medium and long term, such as hydrogen and new small and modular nuclear fission reactors or fusion power.

On the environmental sustainability front, the Group intends to continue reducing its direct and indirect greenhouse gas emissions by achieving the zero-emissions target for all Scopes by 2040, in line with the Paris Agreement and with the 1.5 °C scenario, as certified by the SBTi.

Group ordinary EBITDA is expected to increase to between €23.6 and 24.3 billion in 2026, with a CAGR (Compound Average Growth Rate) of approximately 5%, while our ambition for Group ordinary profit is a rise to between €7.1 and 7.3 billion in 2026, with a CAGR of about 6% compared with 2023, net of differences in scope.

The organic and structural path of reducing the Group's net debt will enable us to achieve a ratio of net debt to EBITDA of about 2.3 by 2026, down from over 3 at the end of 2022.

Finally, as regards shareholder remuneration, the Group has decided to adopt a simple and attractive dividend policy with a minimum fixed DPS (dividend per share) of €0.43 for the 2024–2026 period, with a potential increase up to a payout of 70% of ordinary profit if cash neutrality is achieved.

(3) Capacity of the system to carry additional power.

(4) Upgrading a plant in order to increase efficiency, capacity and output.

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Guide to navigating the report

To facilitate navigation,
hyperlinks have been
integrated into the document



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Income Statement



Statement of Financial Position



Statement of Cash Flows



Statement of Changes in Equity



Statement of Comprehensive Income



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BASIS OF PRESENTATION

Enel's approach to corporate reporting

The Integrated Annual Report of the Enel Group, consisting of the Report on Operations inspired by integrated thinking and the consolidated financial statements prepared in accordance with the IFRS/IAS international accounting standards, represents the “core” document of the Enel Group’s integrated corporate reporting system, based on the transparency, effectiveness and accountability of information.

The objective of the Enel’s Integrated Annual Report is to describe its strategic thinking and to present its results and the medium- and long-term outlook for an Integrated Businesses model that in recent years has fostered the creation of value in the context of the energy transition.

The Enel Group has drawn inspiration from the “Core & More” reporting approach, designing its own corporate reporting system at the service of stakeholders in a con-

nected, logical and structured manner and developing its own concept for presenting economic, social, environmental and governance information, in accordance with specific regulations, recommendations and international best practices.

This “Core Report” seeks to provide a holistic view of the Group, its business model and the related medium/long-term value creation process, including the qualitative and quantitative financial and sustainability information considered most relevant on the basis of a materiality assessment that also considers the expectations of stakeholders. The “More Reports”, on the other hand, include more detailed and additional information, partly in compliance with specific regulations, than that provided in the Core Report while being cross referenced to the latter.



CORPORATE REPORTING FRAMEWORK

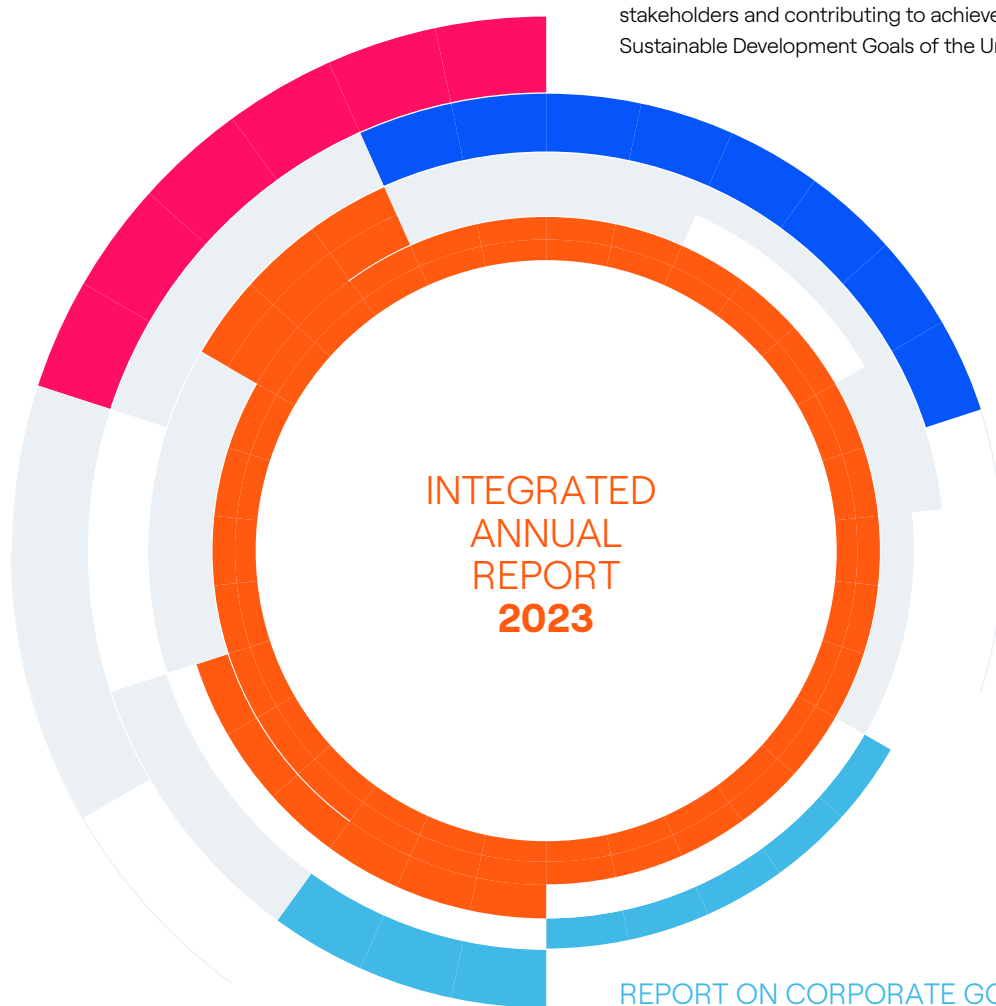
The Core&More approach of the Enel Group

REPORT AND FINANCIAL STATEMENTS OF ENEL SPA

This is prepared in conformity with Article 9, paragraph 3, of Legislative Decree 38 of February 28, 2005

SUSTAINABILITY REPORT

This includes the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 and presents Enel's sustainable business model for creating value for all stakeholders and contributing to achievement of the 17 Sustainable Development Goals of the United Nations



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REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

This describes the Enel corporate governance system pursuant to Article 123-*bis* of the Consolidated Law on Financial Intermediation and Article 144-*decies* of the CONSOB Issuers Regulation

REPORT ON THE REMUNERATION POLICY

This describes the Enel remuneration system, as provided for by Article 123-*ter* of the Consolidated Law on Financial Intermediation

The Integrated Annual Report and materiality analysis

As an expression of integrated thinking, the Integrated Annual Report seeks to represent the capacity of the business model to create value for stakeholders in the short, medium and long term, ensuring the connectivity of the information it contains.

The Group maintains ongoing relationships with stakeholders in order to understand and meet their reporting needs, taking account of the importance of the impact of the Group's business model for all interests involved.

The financial and sustainability information presented within the various documents of the corporate reporting system are selected based on their materiality determined on the basis of specific frameworks, methodologies and assessments.

The following represent the key principles underpinning the preparation of the Report on Operations, with the basis of preparation of the consolidated financial statements being discussed in the section "Form and content of the consolidated financial statements".

The Report on Operations includes financial and sustainability information selected on the basis of a materiality analysis that takes account of stakeholder information requirements, including Enel's contribution to achieving the United Nations Sustainable Development Goals (SDGs) (i.e. "Affordable and Clean Energy" (SDG 7), "Industry, Innovation and Infrastructure" (SDG 9), "Sustainable Cities and Communities" (SDG 11) and "Climate Action" (SDG 13)) and on the activities implemented to contribute to their

achievement in order to meet the expectations of the main stakeholders in the Integrated Annual Report.

The Enel Group also performs a double materiality analysis, details on which are available in the Sustainability Report.

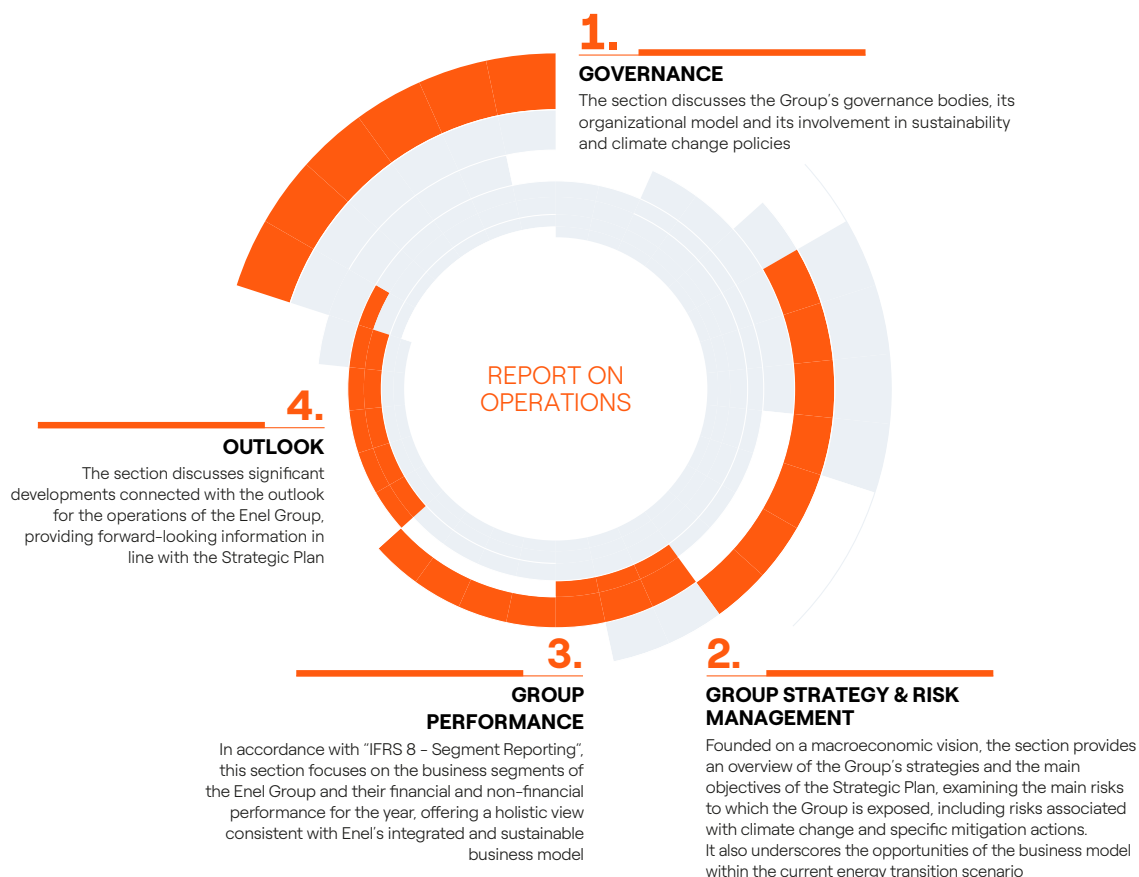
In addition to the concept of materiality, the qualitative and quantitative financial and sustainability information reported in the Report on Operations have been prepared and presented in such a way as to ensure their completeness, accuracy, neutrality and comprehensibility.

The information contained in the Report on Operations is also consistent with the previous year.

Accordingly, the Group applies the same methodologies from year to year, unless otherwise specified, in compliance with international best practices for integrated reporting and sustainability reporting.

For the purposes of preparing sustainability information, especially quantitative information, the Group mainly applies the provisions of the Global Reporting Initiative (GRI) standards, in line with the Sustainability Report, and the "Aspects" of the GRI supplement dedicated to the Electric Utilities sector ("Electric Utilities Sector Disclosures"). Consideration was also given to the indicators proposed in the white paper "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation" of the World Economic Forum (WEF), the details of which are highlighted in the section on the WEF and in the "Group Performance" chapter of this report.

The Report on Operations is organized into the following sections:



Taking account of the results of the priority matrix and the significant climate impacts on the Group's value creation process, each chapter (Governance, Group Strategy & Risk Management, Group Performance and Outlook) includes information relating to climate change as proposed by the Task Force on Climate-related Financial Disclosures (TCFD),⁽⁵⁾ which published specific recommendations in June 2017 that were adopted by the Group in its voluntary reporting on the financial impacts of climate risks.

The Group also took account of the recommendations issued by the IASB in November 2019 "IFRS Standards and climate-related disclosures" and November 2020 "Effects of climate-related matters on financial statements", as updated in July 2023 with the issue of the educational material "Effects of climate-related matters on financial statements". These

recommendations emphasize that climate-related risk must be considered in management's assumptions used in the exercise of its judgment in measuring items in the financial statements.

In order to ensure the connectivity of information and to communicate the way in which the progress achieved in sustainability contributes to enhancing current and future financial performance, clear and consistent relationships between key financial and sustainability information have been identified and presented in the Report on Operations for each of the four sections indicated above.

In addition, Enel's Integrated Annual Report has been published in the "Investors" section of the Enel website (www.enel.com).

Connectivity matrix

In order to provide an integrated representation of the Group and represent the connectivity of information, the Enel Group has prepared a matrix delineating the relation-

ships between the governance, Group strategy and risk management, Group performance and the outlook for each business line.

(5) In 2023, the Financial Stability Board announced that the work of the TCFD was completed with the issue of international sustainability reporting standards IFRS S1 and IFRS S2, which were published at the end of June 2023 by the International Sustainability Standards Board (ISSB).

ENEL BUSINESSES

VALUE CREATION AND THE BUSINESS MODEL

GOVERNANCE

GROUP STRATEGY



ENEL GREEN POWER AND THERMAL GENERATION & GLOBAL ENERGY AND COMMODITY MANAGEMENT

**Enel Green Power and
Thermal Generation
& Global Energy
and Commodity Management**
(p. 42)



ENEL X GLOBAL RETAIL

Enel X Global Retail (p. 42)



ENEL GRIDS AND INNOVABILITY

Enel Grids (p. 42)

Determination of strategy (p. 78)

- I. Strategic Dialogue
- II. Strategic Planning
- III. Long-term positioning
- IV. Analysis of ESG factors and assessment of materiality in the field of sustainability

Strategic Plan (p. 79)

- **Response to the current climate** (p. 79): affordability, security and sustainability
- **The three pillars** (p. 79):
 - I. profitability, flexibility and resilience
 - II. efficiency and effectiveness
 - III. financial and environmental sustainability

RISK MANAGEMENT

GROUP PERFORMANCE

OUTLOOK

Strategic risks (p. 98)

- Legislative and regulatory developments
- Macroeconomic and geopolitical trends
- Risks and strategic opportunities associated with climate change
- Competitive environment

Financial risks (p. 120)

- Interest rate
- Commodity
- Currency
- Credit and counterparty
- Liquidity

Digital technology risks (p. 123)

- Cyber security
- Digitalization, IT effectiveness and service continuity

Operational risks (p. 124)

- Health and safety
- Environment
- Procurement, logistics and supply chain
- People and organization

Compliance risks (p. 128)

- Data protection

Value generated and distributed for stakeholders (p. 149)**ENEL GREEN POWER** (p. 169)**Operations**

- Net electricity generation
- Net efficient installed capacity

Performance

- Revenue
- Ordinary gross operating profit/(loss)
- Ordinary operating profit/(loss)
- Capital expenditure

THERMAL GENERATION AND TRADING (p. 163)**Operations**

- Net electricity generation
- Net efficient installed capacity

Performance

- Revenue from thermal and nuclear generation
- Revenue
- Ordinary gross operating profit/(loss)
- Ordinary operating profit/(loss)
- Capital expenditure

Innovation (p. 192)**People centrality** (p. 196)**Value generated and distributed for stakeholders** (p. 149)**END-USER MARKETS** (p. 181)**Operations**

- Electricity sales
- Natural gas sales
- Demand response, storage and lighting points

Performance

- Revenue
- Ordinary gross operating profit/(loss)
- Ordinary operating profit/(loss)
- Capital expenditure

Innovation (p. 192)**People centrality** (p. 196)**Value generated and distributed for stakeholders** (p. 149)**ENEL GRIDS** (p. 175)**Operations**

- Electricity distribution and transmission grid
- Average frequency of interruptions per customer
- Average duration of interruptions per customer
- Grid losses

Performance

- Revenue
- Ordinary gross operating profit/(loss)
- Ordinary operating profit/(loss)
- Capital expenditure

Innovation (p. 192)**People centrality** (p. 196)**2024–2026 Strategic Plan** (p. 268)

- **Profitability, flexibility and resilience** through selective capital allocation, aimed at optimizing the Group's risk/return profile.
- **Efficiency and effectiveness** as drivers of the Group's operations, based on process simplification, a leaner organization focused on core geographies, and streamlined costs.
- **Financial and environmental sustainability** to pursue value creation in addressing the challenges of climate change.

2024 (p. 268)

- **Investment in distribution grids** focusing on geographical areas that have fair and transparent regulatory frameworks in place, in particular in Italy.
- **Selective investment in renewables**, aimed at maximizing the return on capital employed and minimizing risks.
- **Active management of the customer base** through bundled multi-play offers.

Financial and performance targets underpinning the 2024–2026 Plan (p. 268)



REPORT ON OPERATIONS

1. ENEL GROUP

○ Technological leadership

In 2023, the Group confirmed its hard-won technological leadership in renewables generation and distribution grids.

On the power generation front, in 2023 Enel built out about 5.3 GW of new renewables capacity (including 934 MW of battery storage), reaching a total of approximately 63 GW of installed capacity and a volume of renewables generation of 140 TWh/year.

In the power distribution segment, our strong commitment to modernizing and digitalizing electricity grids continues, both to increase their resilience to increasingly extreme and frequent climate events and to make them ready to play the role of enablers of the energy transition.

○ The value creation process

The integrated presentation of financial and sustainability information makes it possible to effectively communicate the business model and the value creation process both in terms of results and the short- and medium/long-term outlook.

○ Business model

Enel's business model is conceived to maximize long-term value creation for all stakeholders through the achievement of Group growth, development and efficiency objectives while at the same time minimizing business risks.

In order to fully benefit from all the opportunities emerging in the market environment in which it operates, the Group has identified three different business models (Ownership, Partnership and Stewardship) it can deploy depending on the geographical area and expected return.



HIGHLIGHTS

PERFORMANCE

REVENUE

-32.0%

€95,565 million

€140,517 in 2022

GROSS OPERATING PROFIT

+1.7%

€20,255 million

€19,918 in 2022

ORDINARY GROSS OPERATING PROFIT

+11.6%

€21,969 million

€19,683 in 2022

RESULTS

PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

€3,438 million

€1,682 in 2022

ORDINARY PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

+20.7%

€6,508 million

€5,391 in 2022

NET FINANCIAL DEBT

-0.8%

€60,163 million

€60,663 in 2022⁽¹⁾

CAPITAL EXPENDITURE

CASH FLOWS FROM OPERATING ACTIVITIES

+69.0%

€14,620 million

€8,649 in 2022⁽²⁾

CAPITAL EXPENDITURE ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS⁽³⁾

-11.4%

€12,714 million

€14,347 in 2022

PEOPLE

NO. OF EMPLOYEES

-6.2%

61,055

65,124 in 2022

NO. OF LIFE CHANGING ACCIDENTS (LCA) - ENEL⁽⁴⁾

—

— in 2022

- (1) In order to facilitate analysis of developments in Group net financial debt, thereby ensuring greater comparability over time, management has decided to exclude the fair value of the cash flow hedge and fair value hedge derivatives used to hedge the exchange rate risk on loans. Accordingly, in order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022.
- (2) In order to improve presentation, for comparative purposes only, realized financial income and expense connected solely with borrowings have been reclassified from "Collections/(Payments) associated with derivatives connected with borrowings" in the section on cash flows from financing activities to the items "Interest income and other financial income collected" and "Interest expense and other financial expense paid" included in cash flows from operating activities.
- (3) Does not include €849 million regarding units classified as held for sale or discontinued operations (€156 million in 2022).
- (4) Injuries whose consequences caused permanent changes in the life of the individual.

HIGHLIGHTS OF THE BUSINESS LINES



ENEL GREEN POWER AND THERMAL GENERATION

TOTAL NET EFFICIENT INSTALLED CAPACITY

-3.8%

81.4 GW

84.6 in 2022

NET ELECTRICITY GENERATION⁽¹⁾

-9.0%

207.33 TWh

227.77 in 2022



NET EFFICIENT INSTALLED RENEWABLES CAPACITY

+3.5%

55.5 GW

53.6 in 2022

NET EFFICIENT INSTALLED RENEWABLES CAPACITY

+4.9%

68.2 %

63.3% in 2022

ADDITIONAL EFFICIENT INSTALLED RENEWABLES CAPACITY

-18.8%

4.03 GW

4.96 in 2022

NET RENEWABLE ELECTRICITY GENERATION⁽¹⁾

+12.9%

126.98 TWh

112.45 in 2022



INTENSITY OF SCOPE 1 GHG EMISSIONS RELATED TO POWER GENERATION⁽²⁾

-30.1%

160 gCO_{2eq}/kWh

229 in 2022

INTENSITY OF SCOPE 1 AND SCOPE 3 GHG EMISSIONS RELATED TO INTEGRATED POWER⁽²⁾

-20.0%

168 gCO_{2eq}/kWh

210 in 2022

(1) If net generation operated through joint ventures were also included, total generation at December 31, 2023 would amount to 220.6 TWh; similarly, generation from renewable sources would be equal to 140.3 TWh at December 31, 2023 (123.7 TWh at December 31, 2022).

(2) KPI corresponding to the target certified by the Science Based Targets initiative (SBTi) in 2022.

SUSTAINABLE DEVELOPMENT GOALS



ENEL GRIDS AND INNOVABILITY

END USERS

-3.3%

70,291,727 no.

72,655,170 in 2022



ELECTRICITY DISTRIBUTION AND TRANSMISSION GRID

-6.2%

1,899,419 km

2,024,038 in 2022

ELECTRICITY TRANSPORTED ON ENEL'S DISTRIBUTION GRID

-3.6%

489.2 TWh

507.5 in 2022⁽³⁾

END USERS WITH ACTIVE SMART METERS⁽⁴⁾

-1.4%

45,172,959 no.

45,824,963 in 2022



ENEL X GLOBAL RETAIL

ELECTRICITY SOLD BY ENEL

-6.3%

300.9 TWh

321.1 in 2022

RETAIL CUSTOMERS

-8.5%

61,118,024 no.

66,784,895 in 2022

of which free market

-12.7%

24,320,725 no.

27,864,392 in 2022



STORAGE

1,730 MW

760 in 2022

DEMAND RESPONSE CAPACITY

+13.1%

9,588 MW

8,476 in 2022

PUBLIC CHARGING POINTS⁽⁵⁾

+9.8%

24,281 no.

22,112 in 2022⁽³⁾

(3) The figure for 2022 reflects a more accurate calculation of the aggregate.

(4) Of which 28.7 million second-generation meters in 2023 and 25.2 million in 2022.

(5) If the figures also included charging points operated through joint ventures, the totals would amount to 25,337 at December 31, 2023 and 22,617 at December 31, 2022.



VALUE CREATION AND THE BUSINESS MODEL

The value creation process

The integrated presentation of financial and sustainability information makes it possible to effectively communicate the business model and the value creation process both in terms of results and the short- and medium/long-term outlook. The management of economic, environmental and social aspects is increasingly significant in terms of

assessing the ability to create value for stakeholders.

The following graphical representation summarizes the value chain of the Enel Group: the main inputs used, how they are transformed into outcomes and value created for stakeholders.

VALUE CREATION AND THE BUSINESS MODEL

OUR RESOURCES



PLANET

0.20 l/kWh_{eq} Total specific withdrawals of fresh water
23.3% Water withdrawals in water-stressed areas
19.3 Mtoe Total direct fuel consumption



PEOPLE



ENEL'S PEOPLE

61,055 Enel employees
32.5% Percentage of women in senior and middle management



PROSPERITY



FINANCIAL COMMUNITY

€60,163 million Net financial debt
64% Sustainable financing/Total gross debt
€45,109 million Total equity
€17,055 million Intangible assets
€89,801 million Property, plant and equipment
€12,714 million Capital expenditure⁽¹⁾
84.8% Capital expenditure in business activities aligned with the EU taxonomy



CUSTOMERS

45.17 million End users with active smart meters
43.7% Digital customers
177 no. Commerical claims (per 10,000 customers)



SUPPLIERS

150,820 no. Suppliers (FTE)
14,001 no. Active suppliers



COMMUNITIES



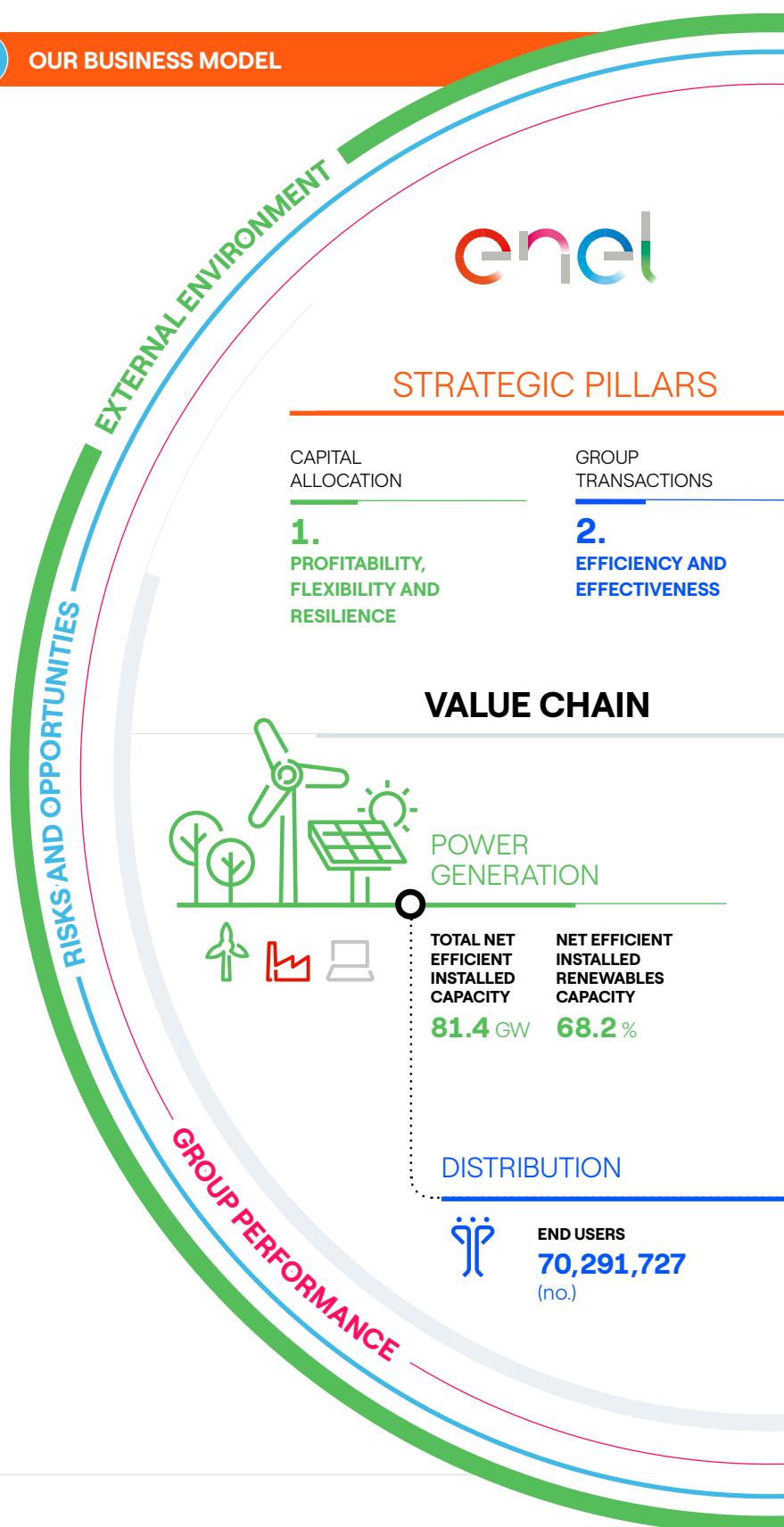
PARTNERS



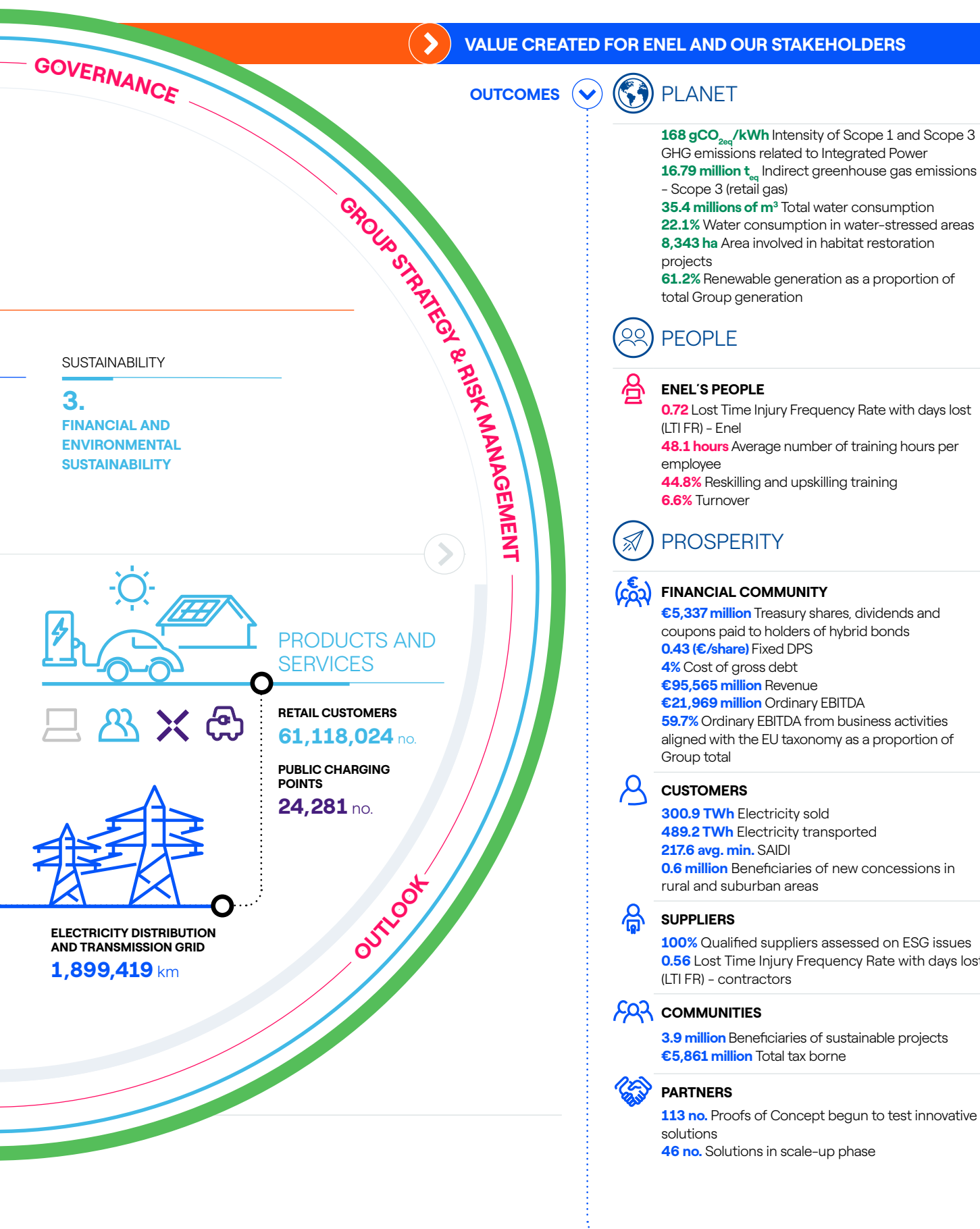
PRINCIPLES OF GOVERNANCE

44.4% Women on the Board of Directors
207 Code of Ethics reports (of which 41 violations)

OUR BUSINESS MODEL



(1) Does not include €849 million regarding units classified as held for sale.



Business model

Enel's business model is conceived to maximize long-term value creation for all stakeholders through the achievement of Group growth, development and efficiency objectives while at the same time minimizing business risks.

The Enel business model is structured along the entire value chain through global business lines for generation (Enel Green Power and Thermal Generation), commodity portfolio management (Global Energy and Commodity Management), distribution (Enel Grids and Innovability) and customer sales (Enel X Global Retail), supported by the Global Service Function and Staff Functions.

The current mission of each global business line can be summarized as follows:

- Enel Green Power and Thermal Generation is engaged in the generation of electricity from renewables (through Enel Green Power) and conventional sources, seeking to accelerate the energy transition and managing the path of decarbonization;
 - Global Energy and Commodity Management operates in wholesale physical and financial markets for energy commodities (electricity, gas, emissions, oil and many others) and manages the Group's integrated portfolio through hedging with complex products in order to mitigate the risks of international commodity trading;
 - Enel Grids and Innovability is a world leader in electricity distribution, ensures the supply of electricity through increasingly efficient grids that are ever more resilient and secure against extreme and adverse events and more flexible thanks to enabling new business models for DSOs (distribution system operators).
- In line with these objectives, Enel Grids' innovation effort has focused on resilience, operational excellence and security, seeking advanced solutions that can guarantee and improve an increasingly safe environment for workers and generate a positive and sustainable impact on the business;
- Enel X Global Retail operates in the supply of electricity, energy management services and public and private electric mobility, with a portfolio of value-added products and services to encourage more independent and sustainable use of energy.

Enel X Global Retail offers innovative solutions to improve people's lives, focusing on residential consumers,

companies and government entities with modular and integrated offers built around customer needs, promoting the digitalization and electrification of energy use and transport as drivers to create new value.

By exploiting the synergies between the different business areas and implementing actions through the lever of innovation, the Enel Group seeks to develop solutions to drive sustainable progress, reduce environmental impact, meet the needs of customers and the local communities in which it operates and ensure high safety standards for employees and suppliers.

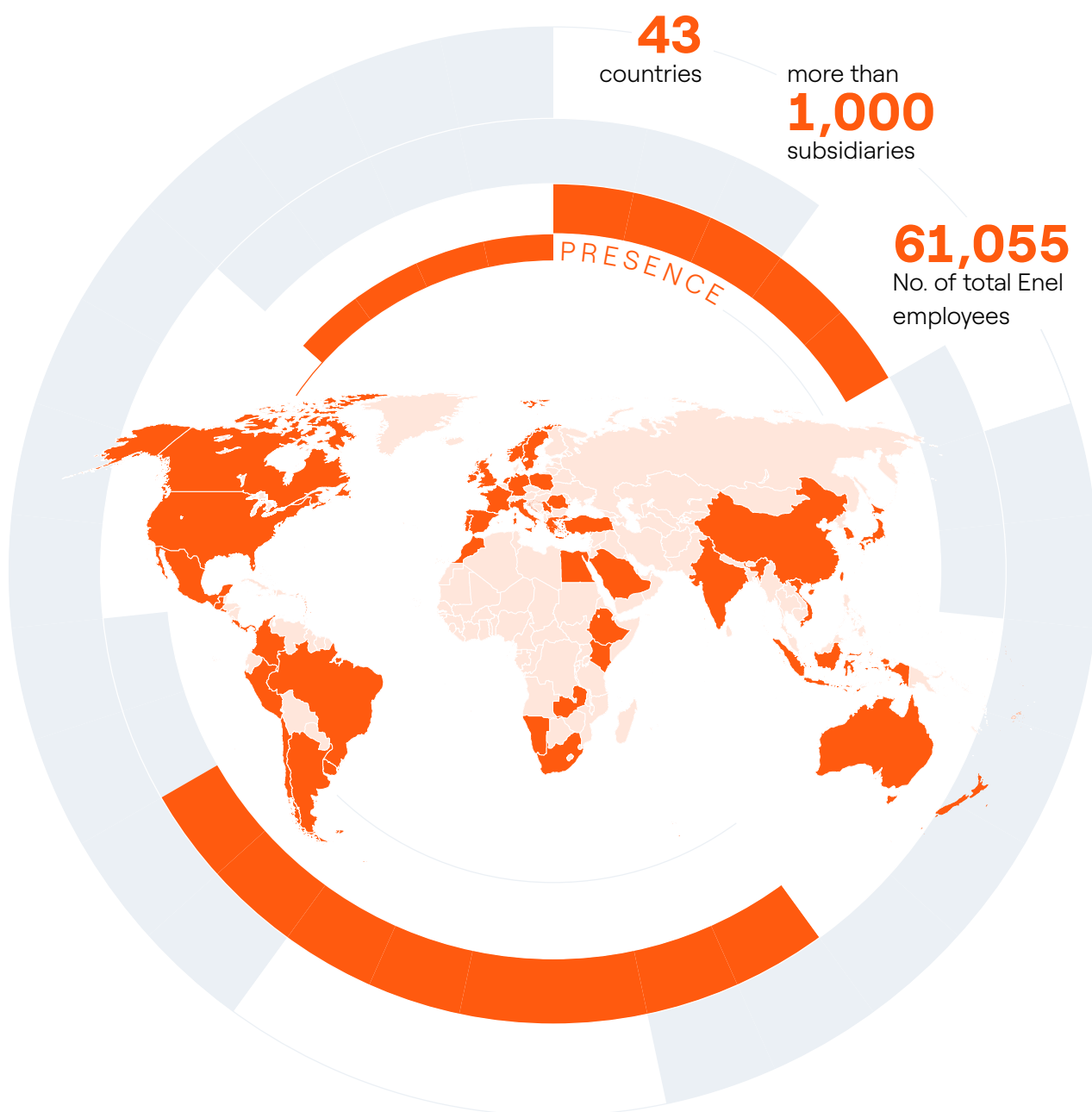
In order to fully benefit from all the opportunities emerging in the market environment in which it operates, the Group has identified three different business models (Ownership, Partnership and Stewardship) it can deploy depending on the geographical area and expected return:

- the Ownership business model, in which the Group makes direct investments in renewables, grids and customers, benefitting from the financial performance generated by the continuous use of the assets involved. This model is mainly employed in countries where the entire value chain can already be leveraged, from generation to relationships with end users, especially where expected returns are the highest;
- the Partnership business model, in which the Group makes investments with a partner in order to lower its exposure to the risks associated with the assets involved, while maintaining control and maximizing the productivity and flexibility of the capital employed;
- the Stewardship business model, in which the Group invests in existing or new joint ventures and acquires or maintains minority stakes, benefitting from the development of the assets. This model will further enhance financial flexibility while significantly reducing the risk exposure of capital, increasing returns. Three geographical areas (Italy, Iberia and Rest of the World) are incorporated into this approach, each of which operates in its area in a matrix relationship with the broader and more global business lines, managing activities such as relations with local communities, regulation and local communication, while ensuring the integration of the business lines present in the country involved.

ENEL AROUND THE WORLD

The Enel Group has a presence in 43 countries on multiple continents around the world, with more than 1,000 subsidiaries.

The following map shows the distribution of the Enel Group across the globe.





REPORT ON OPERATIONS

2. GOVERNANCE

- Corporate governance system oriented towards the goal of sustainable success.
- Governance model in line with international best practice.
- Transparency and fairness as founding values.

ENEL SHAREHOLDERS

At December 31, 2023, the fully subscribed and paid-up share capital of Enel SpA totaled €10,166,679,946, represented by the same number of ordinary shares with a par value of €1.00 each. Share capital is unchanged compared with that registered at December 31, 2022.

In implementation of the authorization of the Shareholders' Meeting of May 10, 2023 and the subsequent resolution of the Board of Directors adopted on October 5, 2023, Enel has completed a program for the purchase of treasury shares to serve the 2023 LTI Plan for the management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code. More specifically, as a re-

sult of transactions carried out between October 16, 2023 and January 18, 2024 in execution of the aforementioned program, the Company has acquired a total of 4,200,000 treasury shares. Accordingly, considering the 7,153,795 treasury shares already held at December 31, 2022 and taking account of the disbursement on September 5, 2023 of 1,268,689 Enel shares to the beneficiaries of the 2019 LTI Plan and the 2020 LTI Plan, at the date of publication of this report the Company holds a total of 10,085,106 treasury shares; at December 31, 2023, during the implementation of the aforementioned program, Enel held a total of 9,262,330 treasury shares.

Significant shareholders

At December 31, 2023, based on the shareholders register and the notices submitted to CONSOB and received by the Company pursuant to Article 120 of Legislative Decree 58 of February 24, 1998, as well as other available information, shareholders with an interest of greater than 3% in

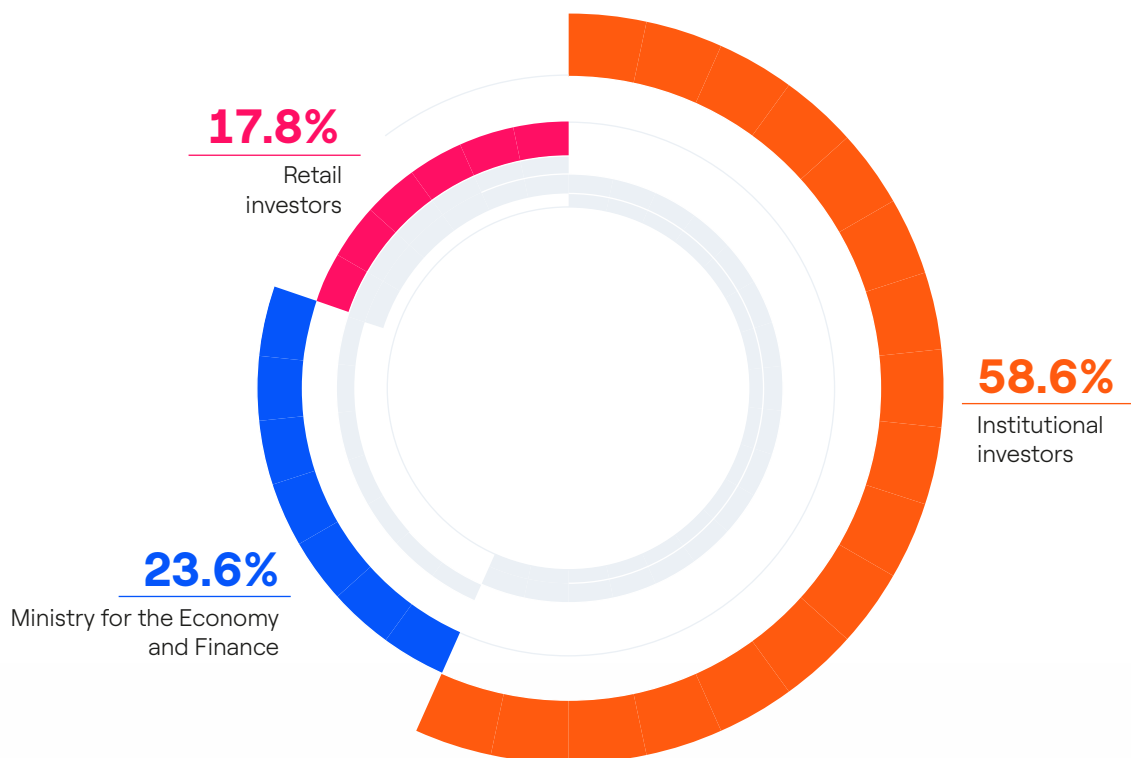
the Company's share capital included the Ministry for the Economy and Finance (with a 23.585% stake) and BlackRock Inc. (with a 5.023% stake held for asset management purposes).

Composition of shareholder base

Since 1999, Enel has been listed on the Euronext Milan market organized and operated by Borsa Italiana SpA. Enel's shareholders include leading international investment funds, insurance companies, pension funds and ethical funds.

With regard to Environmental, Social and Governance

(ESG) investors in Enel, at December 31, 2023, socially responsible investors (SRIs) held around 17.5% of the share capital (from 14.9% at December 31, 2022). Investors who have signed the Principles for Responsible Investment represent 42.8% of the share capital (compared with 42.1% at December 31, 2022).



CORPORATE BOARDS

BOARD OF DIRECTORS

CHAIRMAN

Paolo Scaroni

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER

Flavio Cattaneo

SECRETARY

Leonardo Bellodi

DIRECTORS

Johanna Arbib
Mario Corsi
Olga Cuccurullo
Dario Frigerio
Fiammetta Salmoni
Alessandra Stabilini
Alessandro Zehentner

BOARD OF STATUTORY AUDITORS

CHAIRMAN

Barbara Tadolini

AUDITORS

Luigi Borré
Maura Campa

ALTERNATE AUDITORS

Carolyn A. Dittmeier
Tiziano Onesti
Piera Vitali

AUDIT FIRM

KPMG SpA

2023

COMPOSITION OF
THE BOARD OF DIRECTORS**1** executive director

1 in 2022

8 non-executive directors

8 in 2022

of which 7 independent⁽¹⁾
8 in 2022**5** men
5 in 2022**4** women
4 in 2022**55.6%**
men55.6%
in 2022**44.4%**
women44.4%
in 2022

GENDER

0% 30-50**0%** <30**100%**
> 50

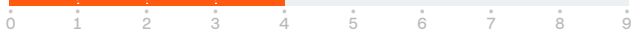
AGE

EXPERTISE

Energy industry



Strategic vision



Business judgement



Accounting, finance and risk management



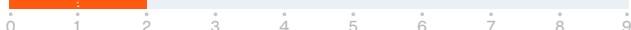
Environmental, social and corporate governance



Legal and compliance



Communication and marketing

International experience⁽²⁾

(1) The figures for 2023 and 2022 refer to directors qualifying as independent pursuant to the Consolidated Law on Financial Intermediation and the Italian Corporate Governance Code (2020 edition).

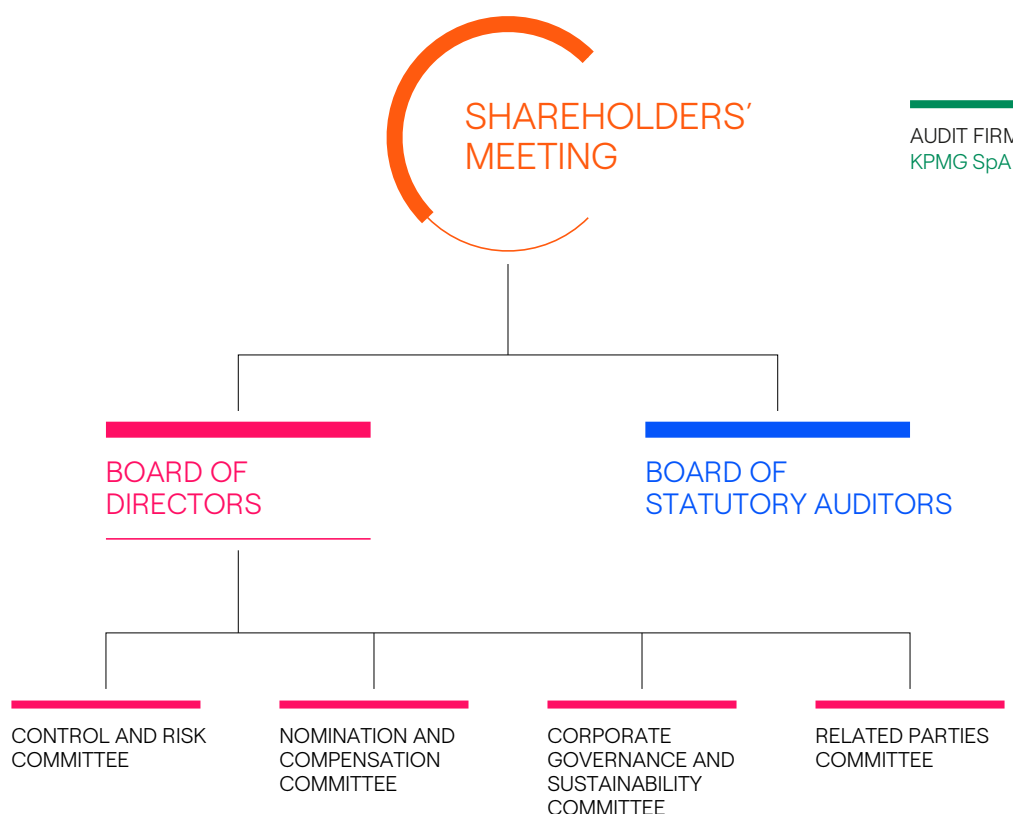
(2) In accordance with the Diversity Policy adopted by the Enel Board of Directors, "international experience" is assessed on the basis of the managerial, professional, academic or institutional activities performed by each director in international environments.

THE ENEL CORPORATE GOVERNANCE SYSTEM

The corporate governance system of Enel SpA ("Enel" or the "Company") is compliant with the principles set forth in the edition of the Italian Corporate Governance Code published on January 31, 2021,⁽⁶⁾ adopted by the Company as a "large company" without "concentrated ownership",⁽⁷⁾ and with international best practice. The corporate governance system adopted by Enel is aimed at achieving sustainable success, as it is aimed at creating value for the

shareholders over the long term, taking into account the environmental and social importance of the Enel Group's business operations and the consequent need, in conducting such operations, to adequately consider the interests of all relevant stakeholders.

In compliance with Italian legislation governing listed companies, the Group's organization comprises the following bodies:



(6) Available from the website of Borsa Italiana (at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020-eng.en.pdf>).

(7) The Corporate Governance Code defines a "large company" as any company whose capitalization was greater than €1 billion on the last Exchange business day of each of the previous three calendar years, while a "company with concentrated ownership" is any company in which a single shareholder (or a plurality of shareholders which participates in a shareholders' voting agreement) holds, directly or indirectly (through subsidiaries, trustees or third parties), the majority of the votes that can be exercised in the ordinary shareholders' meeting.

Shareholders' Meeting

It is charged with deciding, among other things, in either ordinary or extraordinary session:

- the appointment and removal of the members of the Board of Directors and the Board of Statutory Auditors and their compensation and undertaking any stockholder actions;
- the approval of the financial statements and the allocation of profit;
- the purchase and sale of treasury shares;
- remuneration policy and its implementation;
- share ownership plans;
- amendments to the bylaws;
- mergers and demergers;
- the issue of convertible bonds.

Board of Directors

15

meetings held by the Board in 2023, in 6 of which it addressed issues connected with climate and their impact on strategies and the associated approaches to implementation

- It is vested by the bylaws with the broadest powers for the ordinary and extraordinary management of the Company and has the power to carry out all the actions it deems advisable to implement and achieve the corporate purpose.
- It plays a central role in corporate governance, holds powers for strategic and organizational guidance and control of the Company and the Group, whose sustainable success it pursues. In this context, it examines and approves corporate strategy, including the annual budget and Business Plan (which incorporate the main objectives and planned actions, including with regard to sustainability,⁽⁸⁾ to lead the energy transition and tackle climate change), taking account of the analysis of key issues for the generation of long-term value and therefore promoting a sustainable business model.
- It also performs a policy-setting role and assesses the adequacy of the internal control and risk management system (ICRMS). More specifically, it determines the nature and level of risk compatible with the strategic objectives of the Company and the Group, incorporating in its assessments all factors that could be relevant to achieving the sustainable success of the Company. The ICRMS consists of the set of rules, procedures and organizational structures designed to enable the effective identification, measurement, management and monitoring of the main business risks to which the Group is exposed. These include the risks associated with climate change and, more generally, the risks that the Group's activities may engender in the areas of the environment, society, personnel and respect for human rights.
- It determines the remuneration policy for directors, statutory auditors and key management personnel with a view to pursuing the Company's sustainable success, taking due account of the need to have, retain and motivate people with the skills and expertise required by the positions they hold, submitting this policy for approval by the Shareholders' Meeting.
- Activities performed in 2023 included addressing climate-related issues on the occasion of (i) the examination and approval of the Business Plan of the Company and the Group; (ii) the determination of Enel's remuneration policy for 2023; (iii) the examination of the 2022 Sustainability Report, which incorporates the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 for the same year. In addition, it discussed climate- and environment-related issues as part of the analysis of transactions connected with decarbonization strategy and sustainable finance, as well as in relation to its engagement with investors. Finally, on the occasion of extreme climate events, the Board of Directors received extensive reporting on the immediate counter-measures adopted, as well as on any need for infrastructure adaptation measures to respond to the changed context.
- With regard to enhancing gender diversity, it agreed on the introduction of a performance objective in the 2023 Long-Term Incentive Plan, represented by the percentage of women in top management succession plans at the end of 2025.
- Finally, the Board of Directors received updates on cyber security and safety-related issues and human rights activities in the countries in which the Group operates, as well as timely information on developments in and the substance of the various forms of investor engagement.

(8) Sustainability comprises issues connected with climate change, atmospheric emissions, managing water resources, biodiversity, the circular economy, health and safety, diversity, management and development of employees, relations with communities and customers, the supply chain, ethical conduct and human rights.

In compliance with the provisions of the Italian Civil Code, the Board of Directors has delegated part of its management duties to the Chief Executive Officer and, in accordance with the recommendations of the Corporate Gov-

ernance Code and the provisions of the applicable CONSOB regulations, has appointed the following committees from among its members to provide recommendations and advice.

Corporate Governance and Sustainability Committee

7

meetings held by the Committee in 2023, in 5 of which it addressed issues connected with climate and their impact on strategies and the associated approaches to implementation

- A majority of its members are independent directors and in 2023 it was composed of the Chairman of the Board of Directors and two other directors, all of whom met independence requirements.
- It assists the Board of Directors in assessment and decision-making activities concerning the corporate governance of the Company and the Group and sustainability, including climate change issues and the interaction of the Group with all stakeholders.
- With regard to sustainability issues, it examines:
 - the guidelines of the Sustainability Plan, including the climate objectives set out in the plan, and the materiality matrix, which specifies the priority themes for stakeholders in the light of the Group's business strategies;
 - the approach to implementing the sustainability policy;
 - the general approach and the structure of the content of the Consolidated Non-Financial Statement and the Sustainability Report – which may be presented in a single document – and the comprehensiveness and transparency of the disclosures they provide, including with regard to climate change, and their consistency with the principles envisaged in the reporting standard adopted, issuing a prior opinion to the Board of Directors, which is called upon to approve those documents.
- Activities performed in 2023 included addressing climate-related issues on the occasion of the examination of: (i) the 2022 Sustainability Report, which incorporates the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 for the same year; (ii) the materiality analysis and the guidelines of the 2024-2026 Sustainability Plan; (iii) updates on the main sustainability activities performed by the Enel Group in 2023, on the state of implementation of the 2023-2025 Sustainability Plan and on the inclusion of Enel in the main sustainability indices.

Control and Risk Committee

14

meetings held by the Committee in 2023, in 3 of which it addressed issues connected with climate and their impact on strategies and the associated approaches to implementation

- It is composed of non-executive directors, the majority of whom (including its Chairman) are independent. In 2023 it was made up of:
 - until May 2023, four non-executive independent directors;
 - from June 2023, four non-executive directors, of which a majority are independent.
- It has the task of supporting the assessments and decisions of the Board of Directors relating to the internal control and risk management system (ICRMS), as well as those relating to the approval of periodic financial and non-financial reports. In particular, it issues its prior opinion to the Board of Directors, *inter alia*: (i) on the guidelines of the ICRMS, so that the main risks concerning Enel and its subsidiaries – including the various risks that may be relevant from the perspective of sustainable success – are correctly identified and adequately measured, managed and monitored; (ii) on the degree of compatibility of the risks referred to in point (i) above with company operations consistent with the strategic objectives identified; and (iii) on the adequacy of the ICRMS with respect to the characteristics of the Company and the risk profile assumed, as well as the effectiveness of the system itself.
- It evaluates whether periodic financial and non-financial reporting correctly represents the business model, the strategies of the Company and the Group it heads and the impact of company activities and the performance achieved, coordinating with the Corporate Governance and Sustainability Committee with regard to periodic non-financial reporting.
- It examines the issues relevant to the ICRMS addressed in the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 and the Sustainability Report, which may be presented in a single document and contains corporate disclosures on climate issues, issuing a prior opinion on these aspects to the Board of Directors, which is called upon to approve these documents.
- Activities performed in 2023 included addressing climate-related issues on the occasion of the examination of: (i) issues concerning the ICRMS dealt with in the 2022 Sustainability Report, which incorporates the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 for the same year; (ii) meetings with the head of the Enel Green Power and Thermal Generation Global Business Line concerning the activities carried out and the risks existing in its area of responsibility, as well as the tools used to mitigate their effects; (iii) the analysis of the compatibility of the main risks associated with the strategic objectives of the 2024-2026 Business Plan.

Nomination and Compensation Committee

14

meetings held by the Committee in 2023

- It is composed of non-executive directors, the majority of whom (including its Chairman) are independent. In 2023 it was made up of:
 - until May 2023, four non-executive independent directors;
 - from June 2023, five non-executive directors, of which a majority are independent.
- It supports the Board of Directors in, *inter alia*, evaluations and decisions relating to the size and optimal composition of the Board and its committees, as well as the remuneration of directors and key management personnel. In this regard, the remuneration policy for 2023 provides that a significant portion of the short- and long-term variable remuneration of the Chief Executive Officer/General Manager and key management personnel shall be linked to sustainability-related performance objectives. In particular, with regard to the long-term variable component of the remuneration of the Chief Executive Officer/General Manager and key management personnel, the performance objectives of the 2023 Long-Term Incentive Plan included (i) an objective related to gender diversity, represented by the percentage of women in top management succession plans at the end of 2025, as well as (ii) a target concerning the reduction of specific greenhouse gas emissions, consistent with the Group's decarbonization strategy, which provides for the progressive reduction of such emissions in line with the Paris Agreement. As regards the short-term variable component of the remuneration of the Chief Executive Officer/General Manager, 2023 remuneration policy is linked, among other things, to (i) a performance objective for preserving workplace safety, as well as (ii) a performance objective measuring the level of customer satisfaction through the annual number of commercial complaints filed at the Group level, with the latter objective being associated with two gate objectives⁽⁹⁾ for the number of commercial complaints filed in the free commodity market in Italy and for the average annual duration of service interruptions for low-voltage customers (System Average Interruption Duration Index – SAIDI).

Related Parties Committee

6

meeting held by the Committee in 2023

- It is composed of independent non-executive directors. In 2023 it was made up of:
 - until May 2023, four non-executive independent directors;
 - from June 2023, three non-executive independent directors.
- It performs the functions provided for in the relevant CONSOB regulations and in the specific Enel procedure for transactions with related parties, essentially issuing particular reasoned opinions on the interest of Enel – and any direct or indirect subsidiary that may be involved – in carrying out transactions with related parties, expressing its assessment of the benefits and substantive appropriateness of the associated conditions, subject to receiving timely and comprehensive information on the transaction.

Board of Statutory Auditors

24

meetings held by the Board in 2023

- It is charged with overseeing:
- compliance with the law and the bylaws, as well as compliance with the principles of sound administration in carrying out corporate activities;
 - the financial reporting process and the appropriateness of the organizational structure, the internal control system and the administrative-accounting system of the Company;
 - the statutory audit of the annual accounts and the consolidated accounts, as well as the independence of the Audit Firm;
 - the approach adopted in implementing the corporate governance rules envisaged by the Corporate Governance Code.

(9) Achieving these is necessary to achieve the overall customer satisfaction target.

Chairman of the Board of Directors

- The Chairman is vested by the bylaws with the powers to represent the Company and to sign on its behalf.
- The Chairman presides over Shareholders' Meetings.
- The Chairman convenes the meetings of the Board of Directors, establishes the agenda and presides over its proceedings.
- The Chairman acts as a liaison between the executive directors and the non-executive directors and, with the support of the Secretary of the Board of Directors, is responsible for the effective operation of the Board. More specifically, the Chairman, with the support of the Board Secretary, is responsible, among other things, for ensuring:
 - that information provided before Board meetings and supplementary information provided during meetings enables the directors to act in an informed manner in the performance of their duties; and
 - that the activity of the Board committees is coordinated with that of the Board of Directors.
- The Chairman ensures that the Board of Directors is informed in a timely manner on developments in and the substance of engagement activities with all shareholders.
- The Chairman ascertains that the Board's resolutions are carried out.
- Pursuant to a Board resolution of May 12, 2023, the Chairman has been vested with a number of additional non-executive powers.
- In the exercise of the function of stimulating and coordinating the activities of the Board of Directors, the Chairman plays a proactive role in the process of approving and monitoring of corporate and sustainability strategies, which are sharply focused on the decarbonization and electrification of energy consumption.
- During 2023, the Chairman also chaired the Corporate Governance and Sustainability Committee.

Chief Executive Officer

- Like the Chairman of the Board of Directors, the CEO is vested by the bylaws with the powers to represent the Company and to sign on its behalf, and in addition is vested by a Board resolution of May 12, 2023 with all powers for managing the Company, with the exception of those that are otherwise assigned by law, regulation or the bylaws or that the aforesaid resolution reserves for the Board of Directors (making the Chief Executive Officer the officer with primary responsibility for managing the Company).
- In the exercise of these powers, the CEO has defined a sustainable business model, delineating a strategy to lead the energy transition towards a low-carbon model. The CEO is also responsible for managing the business activities connected with Enel's efforts in combatting climate change.
- The CEO reports to the Board of Directors on the activities performed in the exercise of the powers granted to him, including business activities to maintain Enel's commitment to address climate change.
- The CEO represents Enel in various initiatives that deal with sustainability, holding positions of leadership in international institutions such as the Global Investors for Sustainable Development (GISD) Alliance launched by the United Nations in 2019.
- As the officer with primary responsibility for managing the Company, the CEO has primary authority for engaging with institutional investors, providing them with any appropriate clarification concerning matters that fall within the scope of the Chairman's management powers, in line with the policy for engaging with institutional investors and with Enel's shareholders and bondholders as a whole.
- The CEO has also been designated as the director responsible for establishing and maintaining the ICRMS.

Statutory audit of the accounts

- The statutory audit is performed by a specialized firm entered in the appropriate register of auditors, which is appointed by the Shareholders' Meeting on the basis of a reasoned proposal from the Board of Statutory Auditors.

Good corporate governance practices

- Following the appointment of the Board of Directors by the ordinary Shareholders' Meeting of May 10, 2023 and taking account of the election of an entirely new Board, Enel organized a specific induction program to provide the directors with an understanding of the sectors in which the Group operates, as well as insight into company dynamics and their evolution, market developments and the applicable regulatory framework. Various induction initiatives were therefore held during 2023, focusing on the corporate governance system of the Company and the Group, the electrical system and power generation, as well as closer analyses of certain business lines and the People and Organization Staff Function.
- At the end of 2023 and during the first two months of 2024, the Board of Directors carried out, with the assistance of a specialized independent advisor, an assessment of the size, composition and functioning of the Board and its committees (the "board review"), in line with the most advanced corporate governance practices accepted at the international level and incorporated within the Corporate Governance Code. The board review was also carried out using a "peer review" approach, i.e. evaluating not only the operation of the body as a whole, but also the style and substance of the contribution made by each of its members, and it was extended to include the Board of Statutory Auditors. Among other issues, the board review also specifically sought to verify the directors' perception of (i) the effectiveness of induction activities and (ii) the Board's involvement with sustainability issues and their integration into corporate strategy, including climate change issues. The findings of the board review are reported in Enel's Report on Corporate Governance and Ownership Structure.
- The Board of Directors and the Board of Statutory Auditors have approved, each within their own sphere of competence, specific diversity policies that set out the characteristics considered optimal for the members of these bodies, so that each can exercise their duties most effectively, taking decisions that can effectively draw on the contribution of a plurality of qualified points of view, able to examine the issues under discussion from different perspectives. The policy approved by the Board of Directors establishes that with regard to the types of diversity and the associated objectives:
 - the optimal composition of Board members should provide for a majority of independent directors;
 - even when the regulatory provisions on gender balance expire, it is important to continue to ensure that at least one-third of the Board of Directors, both at the time of appointment and during its term of office, shall be made up of directors of the least represented gender;
 - the international scope of the Group's activities should be taken into consideration, ensuring that at least one-third of directors should have adequate experience in the international arena, which is also considered useful for preventing the standardization of opinions and the emergence of "group thought";
 - in order to achieve a balance between the need for continuity and renewal in management, it would be necessary to ensure a balanced combination of people of differing seniority – and age – within the Board of Directors;
 - non-executive directors should have a management and/or professional and/or academic and/or institutional background such as to create a diverse and complementary set of skills and experience;
 - in view of the differences in their roles, the Chairman and the CEO should have the appropriate skills (specifically indicated in the policy) for the effective performance of their respective duties.

- In July 2015 the Board of Directors also approved (and subsequently amended in February 2019) a number of recommendations aimed at strengthening the corporate governance of Enel subsidiaries with shares listed on regulated markets and at the same time ensuring the implementation of local best practices in this area by those companies. Among other issues, these recommendations concern the composition of the management body, with regard to which it is also suggested to integrate a diversity of professional and management experience and skills, combined, where possible, with a diversity of gender, age and seniority, without prejudice to the provisions of applicable local legislation.
- In order to regulate the procedures for the Company's engagement with institutional investors and with its shareholders and bondholders as a whole, in March 2021 the Board of Directors adopted, acting on a proposal from the Chairman formulated in agreement with the Chief Executive Officer, a specific policy in this area (the "Engagement Policy"). It largely incorporates the practices already followed by Enel to ensure that this dialogue is based on principles of fairness and transparency and takes place in compliance with EU and national regulations concerning market abuse, as well as in line with international best practices. In drawing up the Engagement Policy, which was consistently applied during 2023, the best practices adopted in this field by institutional investors and reflected in "Stewardship" codes were taken into account.

For more detailed information on the corporate governance system, please see the Report on Corporate Governance and Ownership Structure of Enel, which has been

published on the Company's website (<http://www.enel.com>, in the "Governance" section).

ENEL ORGANIZATIONAL MODEL

ENEL GROUP CHAIRMAN
P. Scaroni

ENEL GROUP CEO
F. Cattaneo

STAFF FUNCTIONS

ADMINISTRATION, FINANCE AND CONTROL
S. De Angelis

EXTERNAL RELATIONS
N. Mardegan

AUDIT
S. Fiori

CEO OFFICE AND STRATEGY
M. Mossini

PEOPLE AND ORGANIZATION
E. Colacchia

**LEGAL, CORPORATE, REGULATORY
AND ANTITRUST AFFAIRS**
F. Puntillo

SECURITY
V. Giardina

GLOBAL SERVICE
FUNCTION

GLOBAL SERVICES
S. Ciurli

GLOBAL BUSINESS LINES

**ENEL GRIDS AND
INNOVABILITY**
G.V. Armani



**GLOBAL ENERGY
AND COMMODITY
MANAGEMENT
AND CHIEF
PRICING OFFICER**
C. Machetti



**ENEL
GREEN POWER
AND THERMAL
GENERATION**
S. Bernabei



**ENEL X
GLOBAL RETAIL**
F. Gostinelli

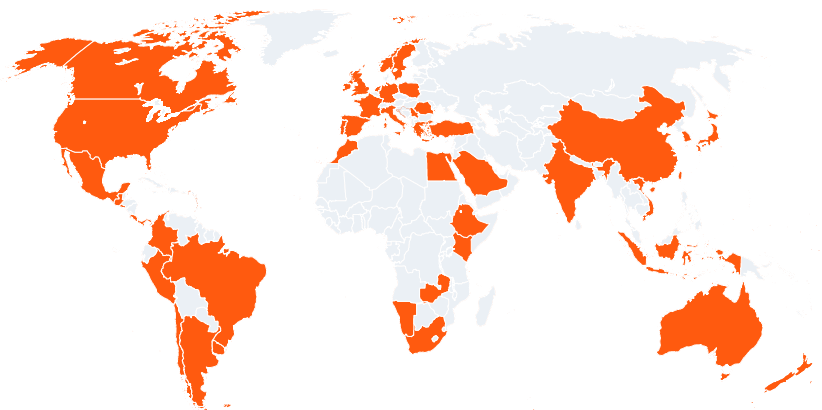


COUNTRIES AND REGION

ITALY
N. Lanzetta

IBERIA
J. Bogas Gálvez

REST OF THE WORLD
A. De Paoli



The Enel Group structure is organized into a matrix that comprises:

Global Business Lines

Global Business Lines, which are responsible for managing and developing assets, optimizing their performance and the return on capital employed in the various geographical areas in which the Group operates. In compliance with safety, protection and environmental policies and regulations, they are tasked with maximizing the efficiency of the processes they manage and applying best international practices, sharing responsibility for EBITDA, cash flows and revenue with the countries. The Group, which also draws on the work of an Investment Committee,⁽¹⁰⁾ benefits from a centralized industrial vision of projects in the various business lines. Each project is assessed not only on the basis of its financial return but also in relation to the best technologies available at the Group level. Furthermore, each business line contributes to guiding Enel's leadership in the energy transition and in the fight against climate change, managing the associated risks and opportunities in its area of competence.

The following provides a brief summary of the primary objectives of each Global Business Line:

- Enel Grids and Innovability: ensures the reliability and quality of electricity supply services through efficient, resilient and digital grids; promotes, harmonizes and coordinates innovation and sustainability processes, supporting operations in the Global Business Lines and Countries.
- Global Energy and Commodity Management and Chief Pricing Officer: optimizes the Group's margin through the active management of its hedging strategy and exposure to commodity risk, taking account of all commercial/market factors in order to maximize the integrated margin in the markets in which we operate through the optimization of gas and fuel provisioning, and local dispatching of thermal and renewable generation, while supporting Enel X Global Retail in defining the commercial strategy.
- Enel Green Power and Thermal Generation: provides guidance for a rapid and effective energy transition, growing the portfolio of renewable generation facilities, and manages the corresponding evolution of thermal generation and storage assets with a view to decarbonizing our energy mix in order to meet the needs of customers in all the countries in which we operate.
- Enel X Global Retail: defines the commercial strategy and manages the customer product range for energy, products and services, including electric mobility, ensuring compliance with safety, protection and environmental regulations, maximizing value for the customer and operational efficiency, and supporting margin optimization with Global Energy and Commodity Management.

Region and Countries

The Region and Countries are responsible for managing relationships with institutional bodies and regulatory authorities, as well as handling distribution and electricity and gas sales, in their areas, while also providing staff and other service support to the business lines. They are also charged with promoting decarbonization and guiding the energy transition towards a low-carbon business model within their areas of responsibility.

The following functions provide support to Enel's business operations:

Global Service Function

The Global Service Function is responsible for managing information and communication technology activities, procurement at the Group level and managing global customer relationship activities. The Global Service Function is also focused on the responsible adoption of measures that allow the achievement of sustainable development objectives, in the specific in managing the supply chain and developing digital solutions to support the development of enabling technologies for the energy transition and the fight against climate change.

Holding Company Staff Functions

The Holding Company Staff Functions are responsible for managing governance processes at the Group level. More specifically, the Administration, Finance and Control Function is also responsible for consolidating scenario analysis and managing the strategic and financial planning process aimed among other things at promoting the decarbonization of the energy mix and the electrification of energy demand, key actions in the fight against climate change.

(10) The Group Investment Committee is made up of the heads of Administration, Finance and Control, Innovability, Legal, Corporate, Regulatory and Antitrust Affairs, Global Procurement, and the heads of the Geographical Areas and the Business Lines.

INCENTIVE SYSTEM

Enel's remuneration policy for 2023, which was adopted by the Board of Directors acting on a proposal of the Nomination and Compensation Committee and approved by the Shareholders' Meeting of May 10, 2023, was formulated on the basis of (i) the recommendations of the Italian Corporate Governance Code published on January 31, 2020; (ii) national and international best practice; (iii) the guidance provided by the favorable vote of the Shareholders' Meeting of May 19, 2022 on the remuneration policy for 2022; (iv) the results of the engagement activity on corporate governance issues pursued by the Company between January and February 2023 with the leading proxy advisors and some Enel's relevant institutional investors; (v) the findings of the benchmark analysis of the remuneration of the Chairman of the Board of Directors, the Chief Executive Officer/General Manager and the non-executive directors of Enel for 2022, which was performed by the independent consultant Mercer.

This policy is intended to (i) foster Enel's sustainable success, which takes the form of creating long-term value for the benefit of shareholders, taking due consideration of the interests of other key stakeholders, so as to incentivize the achievement of strategic objectives; (ii) attract, retain and motivate personnel with the professional skills and experience required by the sensitive managerial duties entrusted to them, taking into account the remuneration and working conditions of the employees of the Company and the Enel Group; and (iii) promote the corporate mission and values.

The 2023 remuneration policy adopted for the Chief Executive Officer/General Manager and key management personnel envisages:

- a fixed component;
- a short-term variable component (MBO) that will be paid out on the basis of achievement of specific performance objectives. Namely:
 - for the CEO/General Manager, annual objectives have been set for the following components of the 2023 MBO mechanism:
 - consolidated net ordinary profit;
 - funds from operations/consolidated net financial debt;

- commercial complaints received at the Group level, accompanied by the following gate objectives: (i) System Average Interruption Duration Index – SAIDI; (ii) commercial complaints on the free commodity market in Italy;
- workplace injury frequency rate, accompanied by a gate objective represented by fatal injuries;
- for key management personnel, the respective MBOs identify objective and specific annual goals connected with the Strategic Plan. They are determined jointly by the Administration, Finance and Control Function and the People and Organization Function;
- a long-term variable component linked to participation in specific long-term incentive plans. In particular, for 2023 this component is linked to participation in the 2023 Long-Term Incentive Plan for the management of Enel SpA and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code (2023 LTI Plan), which establishes three-year performance targets for the following:
 - Enel's average TSR (Total Shareholder Return) compared with the average TSR for the EURO STOXX Utilities – EMU index for the 2023–2025 period;
 - ROIC (Return on Invested Capital) – WACC (Weighted Average Cost of Capital), cumulative for 2023–2025;
 - intensity of Scope 1 and Scope 3 GHG emissions related to the Group's Integrated Power operations ($\text{gCO}_{2\text{eq}}/\text{kWh}$) in 2025, accompanied by a gate objective represented by the intensity of Scope 1 GHG emissions related to the Group's power generation ($\text{gCO}_{2\text{eq}}/\text{kWh}$) in 2025;
 - percentage of women in top management succession plans at the end of 2025.

The 2023 LTI Plan establishes that any bonus accrued is represented by an equity component, which can be supplemented – depending on the level of achievement of the various targets – by a cash component. More specifically, of the total incentive vested, the 2023 LTI Plan establishes that: (i) for the CEO/General Manager of Enel, the incentive shall be paid entirely in Enel shares up to 150% of the base value; (ii) for managers reporting directly to the CEO/General Manager of Enel, including key management per-

sonnel, the incentive shall be paid entirely in Enel shares up to 100% of the base value; and (iii) for beneficiaries other than those specified under (i) and (ii), the incentive shall be paid entirely in Enel shares up to 65% of the base value. The 2023 LTI Plan provides that the shares to be disbursed pursuant to the latter provisions shall be purchased previously by Enel and/or its subsidiaries. In addition, the disbursement of a significant portion of long-term variable

remuneration (70% of the total) is deferred to the second year following the three-year performance period covered by the 2023 LTI Plan.

For more information on the remuneration policy for 2023, please see Enel's "Report on the remuneration policy for 2023 and compensation paid in 2022", which is available on the Company's website (www.enel.com).

VALUES AND PILLARS OF CORPORATE ETHICS

A robust system of ethics underlies all activities of the Enel Group. This system is embodied in a dynamic set of rules constantly oriented towards incorporating national and international best practices that everyone who works for and with Enel must respect and apply in their daily activities. The system is based on specific compliance programs, in-

cluding: the Code of Ethics, the Compliance Model under Legislative Decree 231/2001, the Enel Global Compliance Program, the "Zero-Tolerance-of-Corruption" Plan, the Human Rights Policy, and any other national compliance models adopted by Group companies in accordance with local laws and regulations.

Code of Ethics

In 2002, Enel adopted a Code of Ethics,⁽¹¹⁾ which expresses the Company's ethical responsibilities and commitments in conducting its affairs and operations, governing and standardizing corporate conduct on the basis of standards aimed to ensure the maximum transparency and fairness with all stakeholders. The Code of Ethics is valid for the whole Group, taking due account of the cultural, social and economic diversity of the various countries in which Enel operates. Enel also requires that all suppliers

and partners adopt conduct that is in line with the general principles set out in the Code. Any violations or suspected violations of Enel Compliance Programs can be reported, including in anonymous form, through a single Group-level platform (the "Ethics Point").

The following table indicates total violation reports received through the whistleblowing platform and actual violations confirmed.

		2023	2022 ⁽¹⁾	Change	
Total reported violations of the Code of Ethics received	no.	207	168	39	23.2%
Confirmed violations of the Code of Ethics	no.	41	34	7	20.6%
- of which violations involving conflicts of interest/bribery	no.	7	10	(3)	-30.0%

(1) The analysis of reports received in 2022 was completed in 2023. For that reason, the number of reports for 2022 was restated from 172 to 168 and the number of confirmed violations for 2022 was restated from 29 to 34. Among the five additional violations, one is attributable to a case of conflict of interest in Brazil.

Compliance Model under Legislative Decree 231/2001

Legislative Decree 231 of June 8, 2001 introduced into Italian law a system of administrative liability for companies for certain types of offenses committed by their directors, managers or employees on behalf of or to the benefit of the company. Enel was the first organization in Italy to

adopt, back in 2002, this sort of compliance model that met the requirements of Legislative Decree 231/2001 (also known as "Model 231"). It has been constantly updated to reflect developments in the applicable regulatory framework and current organizational arrangements.

(11) Most recently updated in February 2021.

Enel Global Compliance Program (EGCP)

The Enel Global Compliance Program for the Group's foreign companies was approved by Enel in September 2016. It is a governance mechanism aimed at strengthening the Group's ethical and professional commitment to preventing the commission of crimes abroad that could result in criminal liability for the company and do harm to our reputation. Identification of the types of crime covered

by the Enel Global Compliance Program – which encompasses standards of conduct and areas to be monitored for preventive purposes – is based on illicit conduct that is generally considered such in most countries, such as corruption, crimes against the government, false accounting, money laundering, violations of regulations governing safety in the workplace, environmental crimes, etc.

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

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

image and positioning, the work of our employees, the expectations of shareholders and all of the Group's stakeholders. Following receipt of the ISO 37001 anti-corruption certification by Enel SpA in 2017, the 37001 certification plan has gradually been extended to the main Italian and international subsidiaries of the Group.

The following table reports the average number of per capita training hours provided on anti-corruption policies and procedures.

		2023	2022	Change	
Training in anti-corruption policies and procedures	no.	30,304	30,564	(260)	-0.9%
	%	49.6	46.9	2.7	5.8%
Training in anti-corruption policies and procedures by geographical area:					
- Italy	%	50.7	56.5	(5.8)	-10.3%
- Iberia	%	42.5	51.0	(8.5)	-16.7%
- Latin America	%	49.6	31.9	17.7	55.5%
- Europe	%	94.2	12.0	82.2	-
- Africa, Asia and Oceania	%	79.3	14.8	64.5	-
- North America	%	54.2	80.1	(25.9)	-32.3%

Human Rights Policy

Respect for human rights is part of the very foundation of sustainable progress. Enel's business model is based on the generation of sustainable value, together with its internal and external stakeholders, on continuous innovation, the pursuit of excellence and respect for human rights throughout the value chain. This translates into the rejection of practices such as modern slavery, forced labor and human trafficking, and the promotion of diversity, inclusion, equal opportunity and ensuring that people are treated with dignity and valued for their uniqueness, whether they work within the Company or elsewhere along the value chain in which the Group operates. The main international standards inspiring Enel's commitment are the

United Nations framework “Protect, Respect, Remedy”, outlined in the guiding principles on business and human rights, and the guidelines for multinational companies of the OECD. This commitment is clearly reflected in the human rights policy drawn up and adopted back in 2013. In 2021, this document was updated to take account of the evolution of international reference frameworks and the operational, organizational and management processes of the Group. The document strengthens and expands the commitments already present in other codes of conduct adopted by Enel such as the Code of Ethics, the “Zero-Tolerance-of-Corruption” Plan and global compliance models. The update was approved by the Board of Directors of

Enel SpA and then adopted by the subsidiaries. Enel undertakes to comply with these principles in every country in which it operates, respecting local cultural, social and economic diversity, requiring each stakeholder to adopt conduct in line with these principles, paying particular attention to high-risk environments or those exposed to conflicts.

Stakeholders are all those who have a direct or indirect interest in the activities of the Enel Group, such as customers, employees of any type or level, suppliers, contractors, partners, other companies and trade associations, the financial community, civil society, local communities and indigenous and tribal peoples, national and international institutions, the media, as well as the organizations and institutions that represent them.

The update, similar to the 2013 version, involved a process of consultation with stakeholders relevant to the Company (internal, other companies, suppliers, human rights experts, think tanks, NGOs) conducted in accordance with the criteria contained in the "UN Global Compact Guide for Business: How to Develop a Human Rights Policy".

The updated code identifies twelve principles (compared with the previous eight), again divided into two macro-themes: work practices and community relations.

The Human Rights Policy is a commitment to:

- proactively consider the needs and priorities of people and society in general because this makes it possible to innovate processes and products, a key factor in an increasingly competitive, inclusive and sustainable business model, including through the adoption of the principles of circularity, the protection of natural capital and biodiversity;
- promote the engagement of our main external and internal stakeholders in order to enhance their awareness and develop a constructive dialogue that can provide a valuable contribution to the design of solutions to mitigate climate change.

In addition to the commitment to the contribution to achieving the United Nations Sustainable Development Goals, the updates include: (i) a reminder of how environmental degradation and climate change are interconnected with human rights, in that the implementation of measures to mitigate the effects of human activities on the environment cannot take place without taking account of their social impact; (ii) the strengthening of the principles of "respect for diversity and non-discrimination" and "health and safety" in the part relating to mental and phys-

ical well-being and work-life integration; (iii) an increase in the granularity of our commitment in our relations with communities, with particular regard to local communities, indigenous and tribal populations, privacy and communication.

Enel has undertaken to monitor application of the Human Rights Policy (i) by employing a specific due diligence process in the various countries in which we operate; (ii) by promoting conduct consistent with a just and inclusive transition; and (iii) by enhancing communication with regard to the action plans developed to prevent and remedy situations in which critical issues could arise.

More specifically, the due diligence process for the management system has been developed in accordance with the main international standards such as the United Nations Guiding Principles on Business and Human Rights and the OECD guidelines. It enables us to identify opportunities for improvement and develop specific action plans. Thanks to this process, 100% of policies and operational procedures adopted are evaluated to identify any direct or indirect risks in the management of our operations, covering the entire value chain and the establishment of new business relationships (for example, acquisitions, mergers, joint ventures, etc.). A new cycle of the process was begun in 2023.

With regard to the sustainability of the supply chain, Enel's purchasing processes are based on fairness, transparency and collaboration, and for this reason the Group's suppliers are required not only to guarantee the necessary quality standards but also to commit to adopting best practices for human rights and the impact of their activity on the environment. These include those concerning working conditions, health and safety, appropriate working hours, rejection of forced or child labor, respect for personal dignity, non-discrimination and the inclusion of diversity, freedom of association and collective bargaining and respect for privacy by design and by default. All of this is delineated by a clear framework of codes of conduct, including, in addition to the Human Rights Policy, the Code of Ethics, the "Zero-Tolerance-of-Corruption" Plan and global compliance programs. Furthermore, specific clauses are included in all contracts for works, services and supplies, updated periodically to take account of the regulatory developments and ensure alignment with international best practices. For more information, please see the section "Sustainable supply chain".



REPORT ON OPERATIONS

3. GROUP STRATEGY & RISK MANAGEMENT

○ Reference scenario and context

Short-term global uncertainties in macroeconomic conditions, energy, the climate and the energy transition are driving us to improve the visibility of returns and increase the flexibility of our businesses.

○ Strategic Plan

The new Strategic Plan focuses the Group's strategy on driving the profitability of investments, enhancing the effectiveness of organization and processes in order to rationalize costs and, finally, ensuring sustainability in the face of the financial and environmental challenges of climate change.

○ Analysis of risks and opportunities

The evaluation of climate and transition scenarios within a structured process is a key tool for translating data into useful information for maximizing opportunities and mitigating risks.

REFERENCE SCENARIO

The geopolitical environment

Global economic developments can have a significant impact on the Group's operations due to their direct effects on GDP growth rates, inflation rates and exchange rates in the countries in which Enel operates. In recent years, the stability of the euro area has been shaken by a number of adverse events, such as the COVID-19 pandemic and the more recent military conflict between Russia and Ukraine. Since the euro-area economies are among the most exposed to the war due to their geographical proximity to the conflict area and their strong dependence on gas imports from Russia, they have been severely impacted both in terms of slower GDP growth and higher inflation. The latter was initially triggered by the exponential increase in energy and commodity prices. Subsequently, the repercussions of the increase in the cost of firm's production factors on the prices of non-energy industrial goods fueled a persistent inflationary environment, one that still represents a risk factor requiring careful monitoring. The increase in inflation has eroded household purchasing power and has weighed on industrial production, particularly in more energy-intensive sectors. The easing of inflationary pressures in the second half of the year in the euro area – similarly to developments in the United States – prompted the European Central Bank to interrupt its series of interest rate increases after September. The greater persistence of core inflation (which excludes the most volatile goods) compared with general inflation, however, represents a source of uncertainty concerning the future path of monetary policy, which if kept restrictive for a longer period time could impact economic activity and monetary policy in the euro area.

The year 2024 will again be marked by geopolitical developments on a global scale. The continuation of the conflict between Russia and Ukraine, the more recent tensions that have emerged in the Middle East, the elections scheduled for 2024 in the European Union, the United States, the United Kingdom, India, Taiwan, Iran and many other countries, could all have a significant impact on the domestic and foreign policies of major global players.

On the budgetary policy front, in December 2023 the finance ministers of the European Union reached an agreement for the reform of the Stability and Growth Pact. The

new fiscal rules are characterized by greater simplicity and an emphasis on more readily observable variables, with the aim of improving the effectiveness and credibility of the rules.

On the international trade front, systems of sanctions also remain in place, which can influence trade agreements between countries and industrial policies in various regions. Any introduction of new customs duties or export restrictions could further aggravate current macroeconomic conditions and make the geopolitical situation even more uncertain.

The main risks affecting energy commodities lie in the fragility of the natural gas market in Europe. Although commodity prices have fallen well below the highs recorded in 2022, market equilibria are very tenuous, and disruptions along the value chain, such as the loss of a supply route via the Suez Canal, could drive prices up. This would also have a sharp impact on coal and electricity prices, as these variables are strongly correlated with developments in gas prices. These considerations also hold for the oil market, whose flows also pass through countries close to the conflict areas and are strongly influenced by relations between the United States and the Middle East.

The current geopolitical and macroeconomic context, both in the West and in China, will also continue to influence demand in the industrial metals sector, which was affected last year by the slowdown in global economic growth and prolonged political and military tensions. In particular, in China – the global leader in metals markets – the recovery in demand in 2023 was weaker than analysts and experts had forecast, and future developments continue to depend heavily on the impact of government stimuli, which have not been as effective as expected so far, and on the recovery of demand in Western countries. As regards the metals most closely involved in renewable energy technologies, such as lithium and polysilicon, the recent environment of rapidly and sharply falling prices, undermined by disappointing demand for “green” solutions and a very large increase in the supply of both materials, is eroding the margins of producers, who are struggling to sustain investment in near-term price scenario that does not offer much room for growth.

Macroeconomic environment

The global macroeconomic environment in 2023 was characterized by a general slowdown in the real economy, continuing a downward trend that had already begun in the previous year. After a slowdown in global GDP growth to 3.1% on an annual basis in 2022, following the excellent performance of 6.4% growth recorded in 2021, real growth is expected to be even slower in 2023, at 3%. This decline reflects the lagged and continuing effects of the restrictive monetary policy stances adopted by central banks to counteract high inflationary pressures, the loss of consumer purchasing power, the deterioration in financial and credit conditions, and the decline in trade and investment at a global level. Additionally, the protracted military conflict between Russia and Ukraine, the more recent conflict in the Middle East, volatile US-China relations and the resulting global uncertainty have continued to adversely impact energy, commodity and food markets, slowing the normalization of inflationary pressures on a global scale. In the United States, the economy performed well above market expectations in the 4th Quarter, with GDP expanding by 3.1% on an annual basis, compared with 2.9% in the 4th Quarter of 2022.

Private consumption spending began to realign with real incomes during the year, as excess savings accumulated during the pandemic continued to decline, especially among low-income households. However, a general easing in the inflationary pressures created by the surge in energy commodity prices in the previous year, a very resilient labor market and strong domestic demand buoyed GDP, which is expected to have grown by 2.5% on an annual basis, up from 1.9% the previous year.

In the euro area, macroeconomic conditions experienced a period of stagnation, dragged down by the restrictive monetary policy stance, the impact of high inflation on consumers' real incomes, weak external demand and industrial weakness. The real economy is expected to have entered a technical recession in the 4th Quarter, with a contraction of 0.1% on a quarterly basis in the last three months of the year confirming that already recorded in the previous period. With regard to inflationary pressures, final consumer good prices began to slow in the last quarter of the year thanks to the restrictive monetary policy stance implemented by the European Central Bank, weak domestic demand and falling energy prices, with inflation at 5.5% year-on-year, down from a peak of 8.4% in 2022.

In Italy, economic activity displayed clear signs of flagging, with GDP expected to grow by 0.7% on an annual basis after the strong rise of 3.9% recorded the previous year. Private consumption has been hit by high inflation, while tighter financial conditions have dragged down investment. Subdued external demand also affected exports. By contrast, consumer prices recorded positive signs, with inflation falling sharply in the last quarter thanks to signifi-

cant base effects resulting from the moderation of energy prices.

In Spain, the economy performed better than the European average thanks to a strong contribution from services, with GDP expected to grow by 2.4%. After a substantial decline in inflationary pressures in the first half of the year driven by the normalization of energy prices, the second half of the year was characterized by rebound, with average annual inflation standing at 3.4% in 2023, compared with 8.3% in 2022.

In Latin America, inflation slowed in 2023, although the decline differed depending on the country. In Brazil, the economy registered faster-than-expected GDP growth in 2023, expanding by an estimated 2.9% on an annual basis. In the first half of the year, growth was driven by the extraordinary performance of the agricultural sector and by robust domestic demand driven by private consumption. The economy was resilient in the second half, sustained by an increase in exports and modest growth in household consumption, which benefited from more moderate inflation and an improvement in the labor market. Inflation decelerated sharply compared with 2022 (the annual inflation rate came to 4.6% in 2023), reflecting a restrictive monetary policy stance and a decline in energy and service prices.

In Chile, zero growth is expected for GDP in 2023, after the 2.5% growth recorded in 2022. In the first half of the year, the tightening of financial conditions due to the restrictive policy stance adopted by the central bank and the uncertainty connected with the constitutional reform process slowed economic activity. In the second half, however, growth was buoyed by the weakness of global demand and rapid disinflation (the annual inflation rate was 7.7% in 2023, compared with 11.6% in 2022), which prompted the Chilean central bank to cut interest rates by 300 basis points.

In Colombia, economic activity slowed sharply in 2023 compared with the previous year, with GDP growing by an estimated 1.0% on an annual basis, a sharp decline from the 7.3% registered in 2022. Persistent inflation, combined with high interest rates for a prolonged period, adversely impacted demand, accompanied by a slowdown in investment and a decline in exports. Inflation slipped below 10% only in December, posting an annual average of 11.8%. The slow process of disinflation enabled the central bank to reduce interest rates by only 25 basis points at the end of the year.

Peru saw the economy contract by an estimated 0.5% in 2023, after posting growth of 2.7% in 2022. Political and social instability, greater-than-expected climate anomalies associated with El Niño and high food prices due to lower agricultural production generated an especially sharp contraction in economic activity in the first half of

the year. The inflation rate was 6.3% in 2023, compared with 7.9% in 2022. This decline prompted the central bank to cut interest rates by 100 basis points in the second half of the year.

In Argentina, 2023 was characterized by a severe economic crisis that led to the devaluation of the Argentine peso and continued hyperinflation. GDP contracted by

an estimated 1.2% on an annual basis, while inflation rose to 127.9%. The currency devaluations implemented at the end of 2023, which are intended to foster the country's export competitiveness, and the political uncertainty associated with the presidential elections in October have fueled the inflationary spiral.

%	Inflation		
	2023	2022	Change
Italy	6.0	8.7	(2.7)
Spain	3.4	8.3	(4.9)
Russia	5.9	13.8	(7.9)
Romania	9.8	12.0	(2.2)
India	5.7	6.7	(1.0)
South Africa	5.9	6.9	(1.0)
Argentina	127.9	70.7	57.2
Brazil	4.6	9.3	(4.7)
Chile	7.7	11.6	(3.9)
Colombia	11.8	10.2	1.6
Mexico	5.6	7.9	(2.3)
Peru	6.3	7.9	(1.6)
United States	4.1	8.0	(3.9)
Canada	3.9	6.8	(2.9)

%	GDP	
	2023	2022
Italy	0.7	3.9
Spain	2.4	5.8
Portugal	2.2	6.8
Greece	2.1	5.7
Argentina	(1.2)	5.0
Romania	2.3	4.6
Russia	3.2	(2.1)
Brazil	2.9	3.1
Chile	-	2.5
Colombia	1.0	7.3
Mexico	3.3	3.9
Peru	(0.5)	2.7
Canada	1.0	3.8
United States	2.5	1.9
South Africa	0.5	1.9

	2023	2022	Change
Euro/US dollar	1.08	1.05	2.86%
Euro/British pound	0.87	0.85	2.35%
Euro/Swiss franc	0.97	1.00	-3.00%
US dollar/Japanese yen	140.58	131.55	6.86%
US dollar/Canadian dollar	1.35	1.30	3.85%
US dollar/Australian dollar	1.51	1.44	4.86%
US dollar/Russian ruble	85.51	69.80	22.51%
US dollar/Argentine peso	295.62	130.87	125.89%
US dollar/Brazilian real	4.99	5.16	-3.29%
US dollar/Chilean peso	840.40	873.60	-3.80%
US dollar/Colombian peso	4,320.20	4,261.77	1.37%
US dollar/Peruvian sol	3.74	3.83	-2.35%
US dollar/Mexican peso	17.74	20.11	-11.79%
US dollar/Turkish lira	23.80	16.58	43.55%
US dollar/Indian rupee	82.60	78.63	5.05%
US dollar/South African rand	18.46	16.37	12.77%

The energy industry

Energy and other commodities in 2023

In 2023, prices on the European gas market registered a strong downward trend, reflecting high levels of storage and decreasing demand. On average, the TTF benchmark price decreased by more than 65% compared with the previous year, due to the easing of the supply risks that emerged in 2022, the year in which gas flows ceased from Russia, the main supplier to the European market.

However, the gas market remained highly volatile and very sensitive to the upward shocks recorded during the year, reflecting the fragility of the balance between supply and demand, although prices never touched the levels reached in 2022. Price volatility was moderated by the achievement of a high percentage of filled storage (above 90%) before the start of the winter season, which combined with mild temperatures in November and December led to a sharp reduction in gas prices in Europe in the final months of 2023, falling below €35/MWh.

The developments in gas prices, together with high levels of storage, in turn drove a decrease in coal prices, which in 2023 averaged \$129/ton (-55.5% on the previous year). The dynamics of the gas market have also made coal-fired generation less attractive, discouraging its consumption and encouraging accumulation of the commodity.

In the first half of 2023, oil prices declined in response to the normalization of supply and expectations of a weak recovery in demand. During the second half, however, prices jumped considerably, reaching a peak in September, reflecting the impact of additional cuts in supply combined with growing demand. In the last quarter of 2023 the price trend reversed again, with Brent prices falling below \$75 a barrel. In 2023, the European benchmark price averaged \$82 a barrel, 17% lower than the previous year.

		2023	2022	Change
Brent	\$/barrel	82	99	-17.2%
API2	\$/ton	129	290	-55.5%
TTF	€/MWh	41	120	-65.8%
CO ₂	€/ton	84	81	3.7%
Copper	\$/ton	8,495	8,831	-3.8%
Aluminum	\$/ton	2,256	2,706	-16.6%
Lithium carbonate	\$/ton	36,762	71,640	-48.7%
Polysilicon	\$/ton	16,441	35,589	-53.8%

In contrast to developments in other energy commodities, 2023 saw a slight increase in CO₂ prices in the ETS, which rose by about 4% compared with the previous year. On a monthly basis, prices displayed a downward trend in the second half of the year, mainly due to low demand for allowances from both ordinary market participants and speculative operators.

In the wake of developments in the second half of 2022, weak economic growth and the increasingly tense geopolitical context dominated metals markets in 2023, exacerbated in the final part of the year by the resurgence of conflict in the Middle East.

As often happens in commodity markets, China again had a decisive impact on market balances and price trends. Following the easing of logistical issues in 2022, fears of a slowdown in growth and the crisis in the construction sector dampened demand, and therefore prices, for the Asian giant as well.

As regards base metals such as aluminum and copper, the prices of which are highly correlated with economic and industrial activity, the weakness of economic conditions caused the prices of both to perform less strongly than expected. Copper prices recorded an overall decrease in the first half of 2023 before stabilizing from June onwards, recording an average price of \$8,495/ton in the year,

down by 3.8% compared with 2022. Aluminum performed even worse, with the price remaining weak throughout the year, closing 2023 with an average of \$2,256/ton, down by 16.6% compared with the average for 2022.

A similar pattern was displayed by steel prices, which after an initial rise at the beginning of the year, quickly retreated and closed 2023 at an average price of \$580/ton, down by 15% compared with 2022.

As regards the metals most closely involved in renewable energy technologies, such as lithium for batteries or the polysilicon used in the manufacture of photovoltaic panels, 2023 prices showed declines compared with 2022 that were even larger than those registered by base metals. Lithium, which was adversely impacted by lower-than-expected demand for batteries and, above all, by a strong expansion of supply, both internally in China and from Australia and South America, saw 2023 prices fall constantly during the year to close at an average price of about \$36,000/ton, down by almost 50% compared with 2022. Similar developments were registered for polysilicon prices, which following sharp declines beginning in December 2022 remained very weak throughout 2023, posting an average of about \$16,000/ton, down by about 54% compared with 2022.

Electricity and natural gas markets

Electricity demand

Developments in electricity demand⁽¹⁾

TWh			
	2023	2022	Change
Italy	306.1	315.0	-2.8%
Spain ⁽²⁾	239.9	250.0	-4.0%
Romania	54.0	57.5	-6.1%
Argentina	145.9	144.0	1.3%
Brazil	653.8	611.0	7.0%
Chile	83.4	83.2	0.2%
Colombia	80.0	76.9	4.0%

(1) Gross of grid losses.

(2) National data.

Source: Enel based on TSO figures. The figures are the best estimate available at the publication date and could be revised by TSOs in the coming months.

Electricity consumption in Europe decreased in 2023, mainly reflecting high temperatures and a slowdown in economic activity.

Italian electricity demand closed 2023 with a contraction of 2.8% compared with 2022. Monthly electricity consumption in the first nine months of 2023 was consistently lower than the previous year, with a slight recovery in the last quarter that was not sufficient to offset the losses ac-

cumulated in the previous months, again reflecting mild temperatures and weak industrial activity. The decrease recorded in Spain was larger at 4.0%, reflecting the slowdown in the industrial and service sectors, combined with the effect of milder temperatures. Demand in Romania also fell sharply, recording a decrease of 6.1% compared with the previous year.

Latin American countries bucked the trend, with electricity demand increasing compared with 2022, mainly sustained by continuing favorable economic growth develop-

ments. Particularly large rises were posted in Brazil (+7.0%) and Colombia (+4.0%), while more modest increases were registered in Chile (+0.2%) and Argentina (+1.3%).

Electricity prices

Electricity prices

	Average baseload price 2023 (€/MWh)	Change in average baseload price 2023-2022	Average peakload price 2023 (€/MWh)	Change in average peakload price 2023-2022
Italy	127.4	(175.7)	137.4	(200.3)
Spain	87.4	(80.3)	82.7	(86.3)

Electricity prices in Italy and Spain fell sharply in 2023 compared with 2022, reflecting the decrease in prices on energy commodity markets during the year. More specifically, a sharp decrease in the price of gas, together with an increase in renewable generation, caused electricity prices in Italy to decrease by 58% compared with the previous year. Less marked but still substantial was the decrease registered in Spain (-48%), where prices in 2022 had risen less than in other European countries, thanks to the

strong presence of renewable generation and, above all, to regulatory measures introduced to limit the impact of the increase in gas prices. Consumer prices per kWh also fell significantly compared with 2022, with the exception of residential prices in Italy, which rose in the first half of the year.

The table below summarizes final market prices for the main consumption segments.

Price developments in the main markets

Eurocents/kWh

	2023	2022	Change
Final market (residential)⁽¹⁾			
Italy	0.3230	0.2932	10.2%
Spain	0.1534	0.2773	-44.7%
Final market (industrial)⁽²⁾			
Italy	0.2031	0.2870	-29.2%
Spain	0.1085	0.1917	-43.4%

(1) Annual price net of taxes – annual consumption of between 2,500 kWh and 5,000 kWh.

(2) Annual price net of taxes – annual consumption of between 70,000 MWh and 150,000 MWh.

Source: Eurostat.

Natural gas markets

Natural gas demand

Billions of m³

	2023	2022	Change	
Italy	60.7	67.5	(6.8)	-10.1%
Spain	28.5	31.3	(2.8)	-8.9%

The underlying factor in the decline in gas prices was a decrease in gas consumption. In 2023, demand contracted sharply compared with the previous year. In Italy and Spain, gas demand decreased by 10.1% and 8.9% respective-

ly, reflecting the mild temperatures recorded during the year, an increase in electricity generation from renewable sources and the continued weakness of industrial production, which is still below pre-crisis levels.

Italy

Natural gas demand in Italy

Billions of m³

	2023	2022	Change	
Distribution grids	26.7	28.8	(2.1)	-7.3%
Industry	11.5	11.9	(0.4)	-3.4%
Thermal generation	21.2	25.1	(3.9)	-15.5%
Other ⁽¹⁾	1.3	1.7	(0.4)	-23.5%
Total	60.7	67.5	(6.8)	-10.1%

(1) Includes other consumption and losses.

Source: Enel based on data from the Ministry for Economic Development and Snam Rete Gas.

In Italy, demand decreased by 10.1% compared with 2022. Analyzing consumption by sector, thermal generation registered a particularly large decline (-15.5%), mainly due to the replacement of gas generation with renewable generation.

This is followed by distribution grids (-7.3%), where the decrease reflected mild temperatures in the first and fourth quarters. Less marked but still significant was the decrease recorded in industry (-3.4%).

Competitive and transition environment

Assessing the evolution of the energy transition process is a fundamental input in the definition of Enel's strategy. This assessment is particularly critical in the current environment, characterized, as discussed in earlier sections, by growing geopolitical tensions, high interest and inflation rates and supply chain difficulties. At the same time, the objectives of the Paris Agreement require an acceleration of the energy transition, in order to limit the increase in average global warming to 1.5 °C compared with pre-industrial levels. The recent COP 28 on climate change held in Dubai established the objective of gradually transitioning away from fossil fuels by 2050 and tripling renewables capacity by 2030 (11 TW vs 3.6 TW in 2022), in line with the International Energy Agency (IEA) Net Zero⁽¹²⁾ and the International Renewable Energy Agency (IRENA) 1.5⁽¹³⁾ scenarios.

The transition is shifting gears at the global level, as demonstrated in particular by the increase in renewables capacity, which saw over 500 GW of capacity installed in 2023 alone.⁽¹⁴⁾ According to the IEA, the decline in all fossil fuels will begin within this decade under current policy scenarios.⁽¹⁵⁾ Nonetheless, a broad gap persists between today's ambitions and holding the temperature increase to below 1.5 °C, as well as local differences in the pace of progress towards the goals that each country has set itself. This gap is largely connected with the need to introduce measures to implement the long-term objectives, with a view to increasing both the development of renewables and the rate of electrification of consumption in the short term. More

specifically, in the IEA's announced pledges scenario (APS), capacity reaches a total of almost 10 TW, and is therefore still not consistent with the latest agreements.

Furthermore, while on the one hand we are witnessing a convergence of calls for energy security, accessibility and sustainability, which is guiding everyone – political decision-makers, citizens and companies – towards an acceleration of the clean electrification process, in reality the energy transition is proceeding along a path of disorderly policies ("disorderly transition"⁽¹⁶⁾) compared with expectations. In some geographical areas, the speed of the transition is not as rapid as expected, as measured by sales of electric cars and heat pumps – the main drivers of the increase in electricity demand. Although they are expanding steadily, they do not yet have a significant impact on global energy consumption.

In a year characterized by high interest rates, inflation and supply chain difficulties, the utilities sector, and integrated utilities in particular, has demonstrated resilience to external developments, thanks in part to the normalization of commodity prices, as well as the balance achieved between industry, with investments to expand renewable generation capacity and strengthen grid infrastructure, which lower risk. This positioning reaffirms the crucial role of utilities in the context of the transition and manifests the commitment to energy security.

(12) Source: IEA, 2023, World Energy Outlook.

(13) Source: IRENA, 2023, World Energy Transition Outlook.

(14) Source: IEA, 2023, Renewables Report.

(15) Stated Policies Scenario (STEPS). Source: IEA, 2023, World Energy Outlook.

(16) According to the definition of the Network for Greening the Financial System, 2022, "Scenarios for central banks and supervisors".

With the evolution of markets, the electricity generation and sales sector, together with related services and products, is experiencing an increase in competition, often a reflection of the strategic repositioning of companies in related sectors. Although this is producing a potentially more challeng-

ing competitive environment due to the presence of multiple operators, it also opens the way to new business opportunities, the identification of new areas of value, the creation of synergies and the development of potential partnerships.

Climate change and long-term scenarios

Enel promotes transparency in its climate-change impact disclosures and works to demonstrate to its stakeholders that it is tackling climate change with diligence and determination, consistent with the guidelines and requirements set out in the most recent disclosure standards. The Group was one of the first utilities to take on board the "Guidelines on reporting climate-related information" published by the European Commission in June 2019, which, together with sustainability reporting standards such as the GRI Standards, represent a benchmark for the Group's reporting on climate change issues.

Scenario analysis and planning

The Group develops short-, medium- and long-term scenarios for macroeconomic, financial, energy and climate developments in order to support planning, capital allocation, strategic positioning and the assessment of the risks and resilience of the strategy. Scenario-based planning involves defining alternative scenarios developed on the basis of a number of key uncertainty variables, such as achieving the goals of the Paris Agreement. The development of scenarios allows companies to explore and model plausible alternative futures, designing various paths forward with different timing and options, and ultimately to support strategic decision-making with a view to maximizing opportunities and mitigating risks.

To support analysis of scenarios and the evolution of the external context, the Group identifies and analyzes short-, medium- and long-term trends to develop an overview of how the structural forces and macro-trends are influencing the speed of the transition and of the expected impacts in the energy sector, especially in the businesses in which Enel operates. This mapping of trends provides a reference foundation for developing actions to orient the positioning of the business, seizing the opportunities offered by the context.

Scenario benchmarking

Benchmarking of external energy scenarios is a key starting point in order to build robust internal scenarios. There are many global, regional and national energy transition scenarios published by various providers and designed for a wide range of purposes, from government planning and policy-

making to the support of enterprise decision-making processes. Benchmarking entails analyzing external transition scenarios in order to compare results in terms of the energy mixes, trends in emissions, and technology decisions and to identify the main drivers of the energy transition for each.

Enel's benchmarking of external energy transition scenarios comprises the following steps.

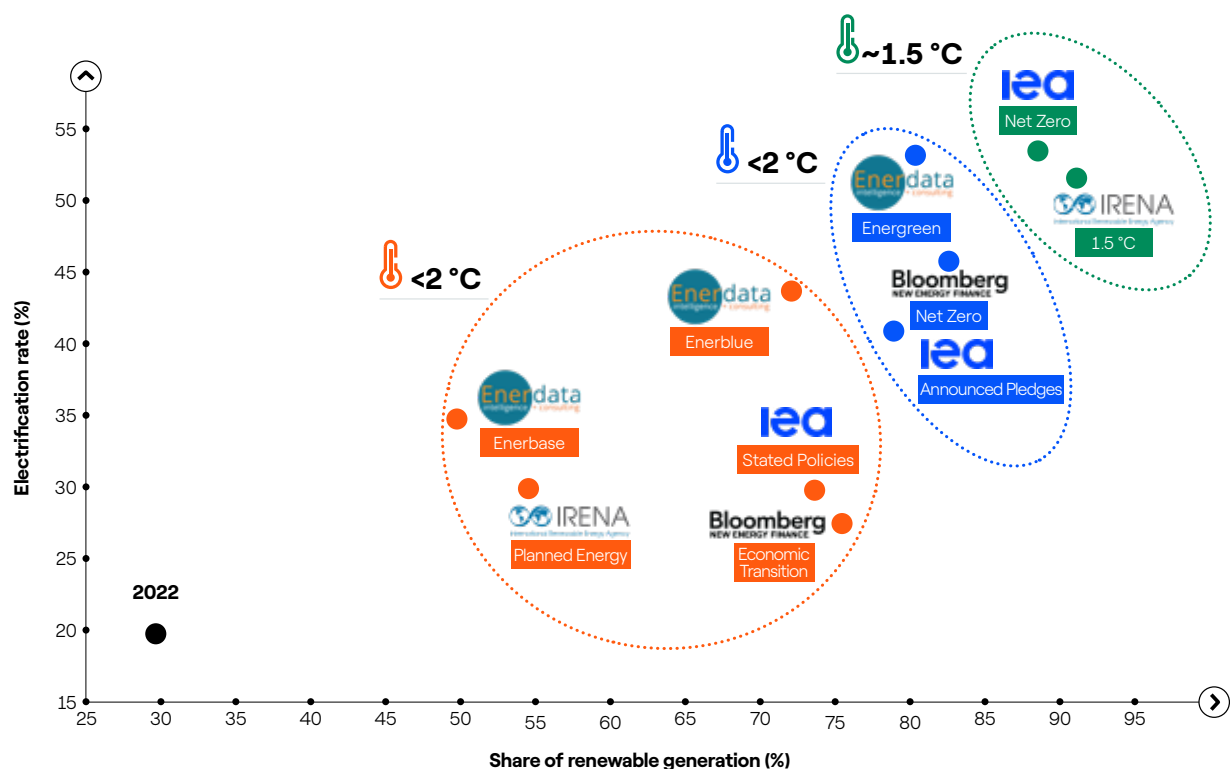
- 1. Analysis of the context of global and national scenarios for the countries in which we operate.** The analysis of scenarios, as well as the study of reports and datasets, is supported by constant dialogue with the analysts of the main scenario providers. Global energy scenarios are typically grouped by family based on the degree of climate ambition, as follows:
 - *Stated-policies scenarios*: based on current policies, or *Business-as-usual*;
 - *Paris-Aligned scenarios*: these are aligned with the Paris Agreement, i.e. are compatible with the goal of limiting the increase in average global temperatures to "well below 2 °C" above pre-industrial levels;
 - *Paris-Ambitious/Net Zero scenarios*: global energy scenarios that take a path towards net-zero emissions by 2050, in line with the most ambitious goal of the Paris Agreement, i.e. to keep the average increase in global temperatures to 1.5 °C, albeit with various probability intervals.
- 2. Data collection, data analysis and identification of scenario and energy transition drivers.** The data regards all the main metrics of the energy system, including, for example: primary energy, total and sectoral final energy, electrical capacity by technology, electricity generation by technology, hydrogen production, electric vehicle fleet, etc. The data analysis gives each provider an understanding of the key elements of the *Business-as-usual*/*Stated-policies* scenarios and leads to the identification of the drivers for accelerating the energy transition in the *Paris-Aligned* and *Paris-Ambitious* scenarios.
- 3. Preparation of a summary of the data analysis and digital representation of the main metrics of external scenarios,** to provide support for management in the decision-making process for the Group's scenario framework. This activity is an integral part of internal planning processes.

The main transition drivers: electrification and renewables

Analyzing the various external scenarios, the consensus among energy analysts is clearly that the main drivers for achieving climate objectives are electrifying final uses and increasing renewable generation in

both the medium and long term. In particular, in the scenarios that envisage containing the increase in the global average temperature to 1.5 °C, the rate of electrification of consumption rises to over 50% by 2050, compared with 20% in 2022,⁽¹⁷⁾ while the share of renewable generation will reach around 90% of the global electricity mix, compared with 30% in 2022.⁽¹⁸⁾

RENEWABLE GENERATION AND ELECTRIFICATION IN GLOBAL TRANSITION SCENARIOS AT 2050



Source: based on data from IEA World Energy Outlook 2023, BNEF New Energy Outlook 2022, IRENA World Energy Transition Outlook 2023 and Enerdata Enerfuture 2023.

(17) IEA, 2023, World Energy Outlook: 53%; IRENA, 2023, World Energy Transition Outlook: 51%.

(18) IEA, 2023, World Energy Outlook: 89%; IRENA, 2023, World Energy Transition Outlook: 91%.

Enel's energy transition and climate change scenarios

Enel develops scenarios within an overall framework that ensures consistency between the energy transition scenario and the climate physical scenario:

- the "energy transition scenario" describes how energy production and generation evolve in the various sec-

tors in a specific economic, social, policy and regulatory context;

- the issues connected with future trends in climate variables (in terms of acute and chronic manifestations) define the "physical scenario".

					
	GRANULARITY & EXTENDED GEOGRAPHICAL COVERAGE	FORWARD-LOOKING METRICS & KPIs	AUTOMATION AND ADVANCED ANALYTICAL TECHNIQUES	INTEGRATION OF INTERDEPENDENCIES	OPEN DATABASES AVAILABLE TO STAKEHOLDERS
MACROECONOMICS AND FINANCE	More than 150 countries monitored for analysis of country risk and macroeconomic-financial scenarios	Monitoring of market expectations and sensitivity analysis of new social and technology paradigms	General equilibrium models and machine-learning techniques to manage big data	Incorporation of social-environmental effects in analyses to quantify effects of actions taken (e.g., TSI)	Periodic updating on interactive platforms with optimization for graphical analysis
ENERGY	Broad coverage of market and geographical indicators and starting-point focus areas	Monitoring of trends in electricity demand and price volatility. With analysis of regulatory and transition impacts	Econometric models and neural networks to produce forecasts	Impact analysis with exogenous variables (macroeconomic and climate)	Development of integrated database updated automatically
CLIMATE	Climate scenario data available with worldwide high-resolution coverage	Standard and/or ad hoc metrics to assess developments in future scenarios	Analytics and machine learning to manage georeferenced big data in downloadable cloud environments	Integration of exposure data (e.g., demographic density, asset location/value)	Platforms for sharing, visualizing and downloading results
INTEGRATED SYSTEM MODELS	Main countries of interest for Enel. Developed to manage integrated business models	Development of scenarios by economic sector to identify trends in electrification and efficiency	Use of system models to optimize the use of technologies to minimize emissions and costs	Integrated management of both energy supply and demand	Technology database for each service: types of electric vehicles, heat pumps, etc.

The acquisition and processing of the large volume of data and information needed to define the scenarios, and the identification of the methodologies and metrics necessary to interpret phenomena that are complex and – in the case of climate scenarios – at very high resolution, require a continuous dialogue with both external and Enel internal

sources. In order to evaluate the effects of physical and transition phenomena on the energy system, the Group makes use of models that, for the main Group countries involved in the analysis, describe the energy system in terms of specific technological, socio-economic, policy and regulatory aspects.

The adoption of energy and physical scenarios and their integration into corporate processes take account of the most recent climate-change reporting standards and enable the assessment of the risks and opportunities con-

nected with climate change. The process that translates scenario phenomena into useful information for industrial and strategic decisions can be summarized in five steps.



1. Identification of trends and factors relevant to the business (e.g., electrification of consumption, heat waves, etc.)

2. Development of **link** functions connecting climate/transition scenarios and operating variables

3. Identification of **risks** and **opportunities**

4. Calculation of impacts on business (e.g., change in performance, losses, Capex)

5. Strategic actions: definition and implementation (e.g., capital allocation, resilience plans)

Enel's energy transition scenarios

An energy transition scenario describes how energy production and consumption can evolve in a specific geopolitical, macroeconomic and regulatory and competitive context consistent with the available technological options. This corresponds to a certain trend in greenhouse gas (GHG) emissions and a climate scenario and, therefore, a certain increase in temperature by the end of the century compared with pre-industrial levels. It should be noted that the resulting climate scenario is not deterministic with respect to carbon dioxide emissions. For each climate scenario, the IPCC also always provides both the median value for global warming in 2100 and the very likely range (i.e. the interval between the 5th and 95th percentiles).

The main assumptions considered in developing the Enel energy transition scenarios concern the macroeconomic and energy context, local policies and regulatory measures, the evolution, costs and adoption of energy production, conversion and consumption technologies.

The *Reference* scenario for planning is a *Paris-Aligned* scenario, calling for achievement of the objectives of the Paris Agreement, i.e. keeping the increase in the global average temperature below 2 °C compared with pre-industrial levels, with a level of climate ambition that is higher

than *Business-as-usual*, but without necessarily assuming the global achievement of the Net Zero 2050 target, given the current global level of cumulative ambition and the deceleration of the energy transition caused by the impact on certain transition variables of current macroeconomic and energy conditions at the local level.

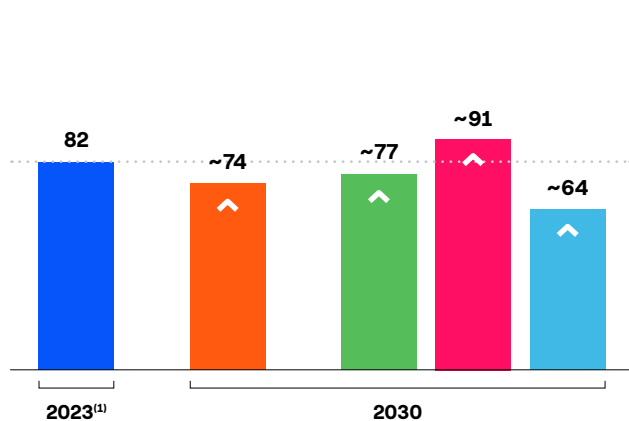
In order to assess the risks and opportunities inherent in the energy transition, alternative scenarios to the reference framework have been defined on the basis of the degree of climate ambition assumed at the global and local level. These comprise: a *Slower Transition* scenario, characterized by an energy transition in which the near-term slowdown in the transition in certain areas has a greater overall impact in the medium term, and an *Accelerated Transition* scenario, with greater ambition compared with the *Reference* scenario, in particular as regards certain variables.

The assumptions for trends in commodities prices underlying the *Reference* scenario are consistent with the external scenarios that achieve the objectives of the Paris Agreement. More specifically, we assume sustained growth in the price of CO₂ through 2030, caused by a gradual reduction in the supply of allowances as demand

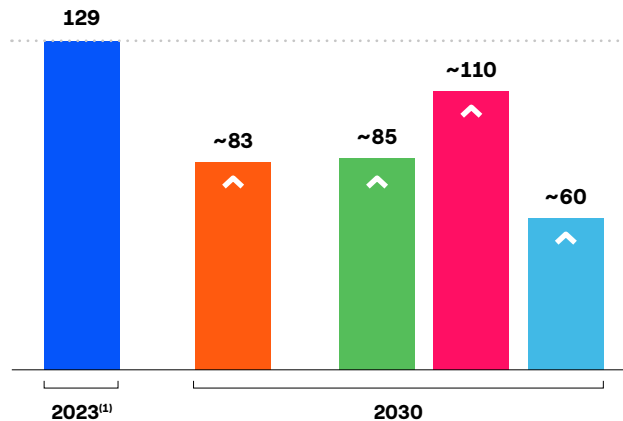
increases, as well as a significant decrease in the price of coal due to declining demand. As for gas, we expect pricing pressures to lessen in the coming years as we see a

realignment between global supply and demand. Finally, we are forecasting a gradual stabilization in oil prices, with demand expected to peak by around 2030.

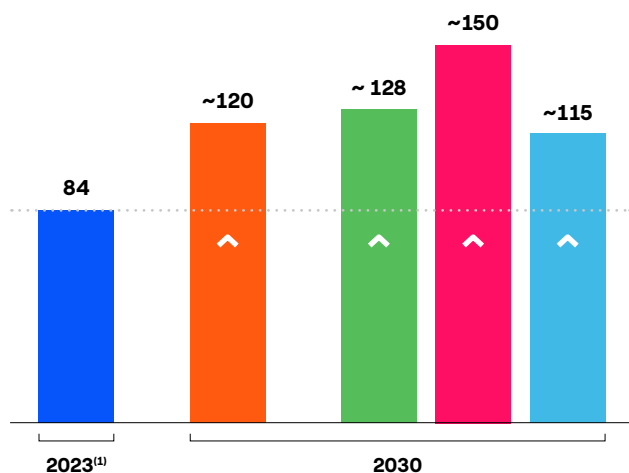
BRENT (\$/barrel)



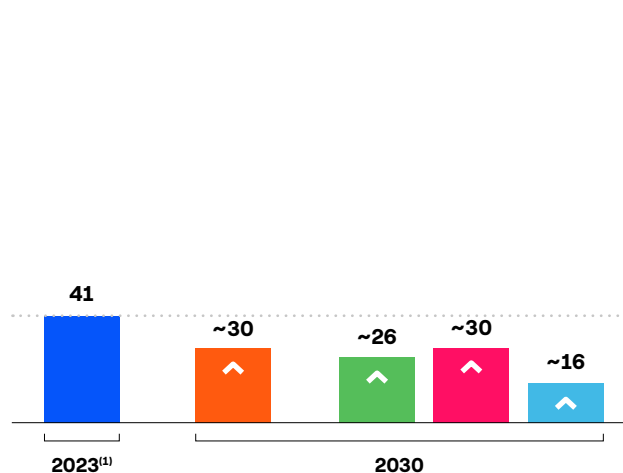
API2 (\$/ton)



CO₂ EU - ETS (€/ton)



TTF (€/MWh)



● Enel scenario
 ● Average benchmark⁽²⁾
● Max benchmark
 ● Min benchmark

(1) Actual.

(2) Sources: IEA - Sustainable Development Scenario and Net Zero Scenario; BNEF, IHS green case scenario; Enerdata green scenario. N.B. The scenarios used as benchmarks have been published at various points throughout the year and may not be up to date with the latest market trends.

The alternative scenarios envisage both an acceleration in decarbonization, driven by regulation, and at the same time a more rapid decline in demand for fossil fuels, which inevitably translates into lower prices for these commodities by 2030. In the case of a slower transition, fuel demand will reach its peak more gradually, and this will support energy commodity prices.

With regard to full achievement of the Paris Agreement objectives, i.e. to stabilize global average temperatures to within +1.5 °C, there remain uncertainties that a number of countries could remain on business-as-usual trajectories and not adopt effective measures to reduce their emissions in a timely manner, thereby slowing the decarbonization process towards net-zero emissions by 2050.

Nevertheless, the Enel Group operates a business model and has defined strategic guidelines that are in line with the maximum ambition of the Paris Agreement objectives, i.e. they are consistent with an increase of 1.5 °C in the average global temperature by 2100, as certified by the Sci-

ence Based Targets initiative (SBTi). Enel has set a goal for 2040 to achieve zero direct emissions (Scope 1), with totally renewable electricity generation and zero emissions connected with retail energy sales (Scope 3).

Local transition scenarios

The scenarios have been defined at the local level using two complementary approaches:

- in the main countries in which we operate, the Group has developed dedicated models for the simulation of the long-term equilibrium of the entire energy system. The values of the scenario variables of relevance to the activities of the Group were then calculated using those models with a view to minimizing costs for the system, imposing a constraint on long-term CO₂ emissions consistent with the achievement of the Paris Agreement objectives and interim constraints dictated by policies in existence or being adopted in each country, taking due account of short-term market dynamics and the diffusion of technologies particular to each of those countries;
- for the rest of the countries involved, the main scenario variables were determined by applying statistical analysis to internal and consensus data in relation to external scenarios aligned with the objectives of the Paris Agreement as provided by national and international accredited bodies.

The definition of internal transition scenarios was prompted by the need for greater modeling flexibility and greater geographical and operational granularity for the main variables that impact Enel's different businesses compared with the scenarios that the main external providers can provide. The latter are typically produced and published at a global or regional level, with some exceptions for particularly large countries, which only rarely correspond to the countries in which the Group is present or has an interest.

Italy

For Italy, the *Reference* scenario takes account of the recent developments in European climate and energy legislation. The results at 2030 are therefore comparable with those contained in the draft National Integrated Energy and Climate Plan (NIECP), published in June 2023, with certain elements added to ensure greater fit with current market dynamics. The *Slower Transition* scenario has been constructed assuming a slower energy transition, with less rapid development of renewables capacity, electric mobility and green hydrogen production. The *Accelerated Tran-*

sition scenario assumes a quicker reform of authorization processes and support mechanisms for renewable energy plants, which accelerates installation, and lower costs for green hydrogen production technologies.

Spain

For Spain, the *Reference* scenario also envisages a level of climate ambition and objectives for renewables and energy efficiency that take account of recent developments in European climate and energy legislation and is therefore comparable with the draft NIECP published in June 2023. The scenario envisages rapid growth in renewables, particularly solar, in the next few years. It differs from the NIECP draft at 2030 in its assumption of slower development of green hydrogen.

The alternative *Slower Transition* scenario assumes a lag in the penetration of renewables, green hydrogen and electric technologies, in particular with regard to private automobiles and the electrification of domestic consumption. The *Accelerated Transition* scenario envisages a more rapid implementation of authorization procedures for renewables, increasing annual installation levels, and a development of green hydrogen consistent with the draft NIECP, as well as a further effort to achieve energy savings in buildings.

Brazil

For Brazil, the *Reference* scenario envisages an increase in electrification at 2030, with a growing level of renewables generation, in particular solar and wind, and the start of green hydrogen production after 2027, with a more ambitious view compared with the most recent energy plan.⁽¹⁹⁾ In the transport sector, it takes account of biofuel incentive policies and assumes an increase in electrification. The *Slower Transition* scenario is constructed on the assumption of a less optimistic macroeconomic environment than the *Reference* scenario, especially in the years up to 2030, with slower expansion of renewables capacity and a consequent slower trend line in emissions reduction. The *Accelerated Transition* scenario goes beyond the ambition of the *Reference* scenario regarding the speed of decarbonization, mainly after 2030, assuming an acceleration in the penetration of renewables, green hydrogen and storage.

(19) Brazil's most recent energy plan is from 2022 (*Plano Decenal de Energia 2031*); an update is expected in 2024.

Chile

As far as Chile is concerned, the *Reference* scenario is consistent with the Net Zero scenario defined in the government's PELP document (*Planificación Energética a Largo Plazo 2023-2027*), published in 2021, in terms of emissions reductions, and includes ambitious targets for the production and export of green hydrogen. The *Slower Transition* scenario takes a more measured approach, using more conservative macroeconomic growth assumptions with no additional energy or climate policies beyond those already in place. The *Accelerated Transition* scenario achieves net-zero emissions by 2050 and, compared with the *Reference* scenario, provides for more ambitious goals for the export of green hydrogen, an acceleration in the electrification of the residential and industrial sectors, and the phase-out of coal by 2030.

Colombia

As for Colombia, the *Reference* scenario envisages reducing emissions by 40% by 2030 compared with 2021, a moderately less ambitious target than the National Determined Contribution (NDC) objective,⁽²⁰⁾ and close to zero emissions in the electricity sector by 2050. In the *Reference* scenario, renewables capacity increases considerably by 2030, and envisages further growth connected with green hydrogen after 2030, albeit more conservatively compared with the expectations set out in the national strategy.⁽²¹⁾ The *Slower Transition* scenario is characterized by emissions trends consistent with the *Actualización* scenario in the government strategy document,⁽²²⁾ which assumes more conservative macroeconomic growth and no additional energy or climate policies beyond those already in place. The *Accelerated Transition* scenario envisages an acceleration of the electrification process in the residential and industrial sectors, together with greater growth expectations for the use of renewable sources.

The physical climate scenario for adaptation actions

Within the framework delineated above, each scenario narrative has been developed so as to ensure consistency between the energy transition scenarios and the climate scenarios.

Under the scenarios, the role of climate change is always the most important and generates effects both in terms of transitioning the economy towards net-zero emissions and in terms of physical impacts, which may be:

- acute phenomena, namely short-lived but intense phenomena, such as flooding, hurricanes etc. with potential impacts on assets (e.g., physical losses and business interruptions);
- chronic phenomena related to structural changes in the climate, such as the rising trend in temperatures, rising sea levels etc., which may cause persistent changes in the output of generation plants and in electricity consumption profiles in the residential and commercial sectors.

The projected future behavior of these phenomena is analyzed by selecting the best data available from the output data of climate models at different resolution levels and historical data.

The Group has selected three of the global climate pathways developed by the IPCC, which are in line with those of the IPCC's sixth Assessment Report (AR6). These scenarios are associated with emission patterns linked to a level of

the Representative Concentration Pathway, each of which is connected to one of the five scenarios defined by the scientific community as Shared Socioeconomic Pathways (SSPs). The SSP scenarios include general assumptions concerning population, urbanization, etc. The three physical scenarios analyzed by the Group are as follows:

- SSP1-RCP 2.6: compatible with a range of global warming below 2 °C from pre-industrial levels (1850-1900) by 2100 (the IPCC forecasts an average of about +1.8 °C from 1850-1900). In the analyses that consider both physical and transition variables, the Group associates the SSP1-RCP 2.6 scenario with the *Reference* and *Accelerated Transition* scenarios.
- SSP2-RCP 4.5: compatible with an intermediate scenario that calls for an average temperature increase of about 2.7 °C by 2100 from pre-industrial levels. The RCP 4.5 scenario is the one that is most representative of the world's current climate and political landscape and correlated transition assumptions. This scenario forecasts global warming in line with the estimates of temperature increases that consider current policy around the world.⁽²³⁾ In the analyses that consider both physical and transition variables, the Group associates the SSP2-RCP 4.5 scenario with the *Slower Transition* scenario.
- SSP5-RCP 8.5: compatible with a scenario where no particular measures to combat climate change are im-

(20) NDC presented by Colombia in 2020, which provides for a 49% reduction in emissions by 2030 compared with 2021.

(21) Hoja de Ruta del Hidrógeno Colombia, 2021.

(22) Hoja de Ruta de la Transición Energética Justa, 2023.

(23) Climate Action Tracker Thermometer, estimates of global heating at 2100 considering existing policies and actions, and 2030 targets only (December 2023 update).

plemented. This scenario forecasts an increase in global temperatures of about 4.4 °C from pre-industrial levels by 2100.

The Group considers RCP 8.5 to be a worst-case climate scenario used to assess the effects of physical phenomena in a context of particularly significant climate change, but it is currently deemed not very likely. This RCP 2.6 scenario is used both to assess physical phenomena and perform analyses that consider an energy transition consistent with most ambitious mitigation objectives.

The analyses carried out for the physical scenarios considered both chronic and acute phenomena. For the description of specific, complex events, the Group considers data and analyses of public bodies, universities, and private-sector entities.

The climate scenarios are global and must be analyzed at the local level in order to determine their impact in the areas of relevance to the Group. Among active partnerships, collaboration is under way with the Earth Sciences Department of the International Centre for Theoretical Physics (ICTP) in Trieste. As part of this collaboration, the ICTP provides projections for the major climate variables with a grid resolution of varying from about 12 km to 100 km and a forecast horizon running from 2020 to 2050.⁽²⁴⁾ The main variables are temperature, rain and snowfall, and solar radiation. Compared with past analyses, current studies are based on the use of multiple regional climate models: the one of the ICTP along with other simulations, which have been selected as being representative of the set of climate models currently available in the literature.⁽²⁵⁾ The output of this set is representative of the average of the various climate models. This technique is usually used in the scientific community to obtain a more robust and bias-free analysis, mediating the different assumptions that could characterize the individual model.

For certain specific climatic variables, such as wind gusts, the Group also uses other providers specialized in that particular phenomenon.

In this phase of the study, future projections have been analyzed for Italy, Spain and all countries of interest to the

Group in South America, Central America, North America and Africa, obtaining – thanks to the use of the set of models – a more highly defined representation of the physical scenario. Similarly, the Group is also analyzing data related to climate projections for Africa, Southern Asia and Southeast Asia, thereby covering all of the main geographical areas in which the Group is present at the global level.

The ICTP is also providing science support to interpret all other climate data we gather. We are using climate scenarios for the countries of interest to the Group to allow for a uniform assessment of climate risk.

Some of these phenomena entail high levels of complexity, as they depend not only on climate trends but also on the specific characteristics of the territory and require further modeling to obtain a high-resolution representation. For this reason, in addition to the climate scenarios provided by ICTP, the Group also uses natural hazard maps. This tool makes it possible to obtain, with a high spatial resolution, recurrence intervals for a series of events, such as storms, hurricanes and floods. As described in the section “Risks and strategic opportunities associated with climate change”, these maps are widely used within the Group, which already uses historical data to optimize insurance strategies. In addition, work is under way to be able to take advantage of this information developed in accordance with climate scenario projections.

Finally, the Group has acquired the tools and capabilities needed to autonomously gather and analyze the raw output published by the scientific community, so as to have a global, high-level view of the long-term trends in the climate variables of interest to us. These sources include the output from the climate and regional models CMIP6⁽²⁶⁾ and CORDEX.⁽²⁷⁾ CMIP6 is the sixth assessment of the Coupled Model Intercomparison Project (CMIP), which is a project of the World Climate Research Programme (WCRP) and of the Working Group of Coupled Modelling (WGCM), which provides raw climate data from global climate models. These are used to assess standard global measurements at a resolution of about 100x100 km. The Coordinated Regional Climate Downscaling Experiment (CORDEX) also falls within the scope of the WCRP and generates regional climate forecasts at a higher resolution.

(24) The climate forecasts mainly cover the RCP 2.6 and RCP 8.5 scenarios. Where available, the RCP 4.5 scenario is also provided. Otherwise, it is derived from the other scenarios using a pattern-scaling approach.

(25) The number of models used varies depending on the RCP scenario.

(26) <https://www.wcrp-climate.org/wgcm-cmip/wgcm-cmip6>.

(27) <https://cordex.org/>.

Physical scenario analysis – Integration of climate scenarios within the Open Country Risk model

In addition to using high-resolution data to analyze the impact of physical phenomena, the Group has also designed a higher-level analysis framework that enables us to obtain a country-level assessment of trends in certain global climate hazards in a manner that is consistent across all regions. More specifically, we have adopted a modular approach that will enable us to progressively upgrade our analyses by including new physical phenomena and refining both the data and our methodologies. At present, four climate phenomena are included: two related to extreme temperatures; one related to intense rainfall; and one related to drought. The possibility of introducing other phe-

nomena such as extreme wind and sea level rise is also being evaluated. The phenomena are assigned a numerical index based on the global distribution to a resolution of about 100x100 km and are summarized in a composite index. This has enabled us to include a dimension related to climate change in the Open Country Risk model. This enables the tool to include both the aspects considered by the Open Country Risk models and those aspects related to the physical risks considered in the model as a cause of environmental and economic stress in a given country. The Open Country Risk model is described in greater detail in the section “Macroeconomic and geopolitical trends”.

Physical scenario analyses

Acute phenomena

Heat waves

Extreme temperatures can be studied using the standard indicator “Warm Spell Duration Index” (WSDI). This metric considers heat waves characterized by at least six consecutive days with a maximum daily temperature above the 90th percentile of the historical distribution.⁽²⁸⁾

In general, as can be seen in the following figure, in central and southern Europe the number of days of acute heat defined in accordance with the WSDI will increase in all future scenarios in the 2030–2050 period compared with the historical benchmark (1990–2020). In the RCP 2.6 scenario, most of the Italian peninsula will see an increase in the average number of days per year with heat waves (from +10 to +15 days) compared with a historical annual

average of around 20–25 days. This increase will be larger in the Alpine areas bordering France and Switzerland and in some areas in southern Italy, with a change of +15 to +20 days. The situation in Italy is also worsening in the RCP 8.5 scenario, where the expected increases are up to +30 days compared with the 1990–2020 period. Spain will see similar changes, with heat waves also becoming more widespread geographically and more frequent in the 2030–2050 period. Compared with past years characterized by around 20 warm-spell days, in the RCP 2.6 scenario this phenomenon will increase by between +10 to +15 days in almost all of Spain.

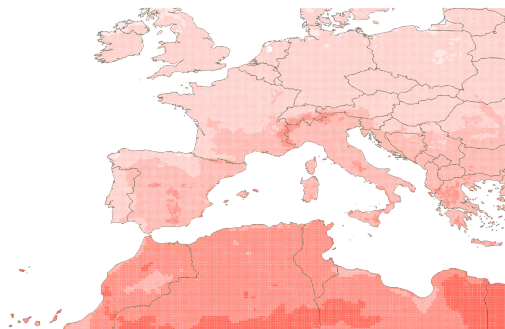
In the RCP 8.5 scenario, the duration of heat waves will be even longer, especially in the southern part of the country (mainly from +20 to +25 days, with peaks of up to +37 days in certain coastal locations on the Mediterranean).

(28) The scientific literature offers various indicators for measuring the same physical phenomenon. Where necessary, Enel also calculates specific *ad hoc* metrics to analyze acute events relevant to the various global business lines.

RCP 2.6

Δ days –
RCP vs historical

- 0 • 5
- 5 • 10
- 10 • 15
- 15 • 20
- 20 • 25
- 25 • 30
- 30 • 35
- 35 • 40
- 40 • 43

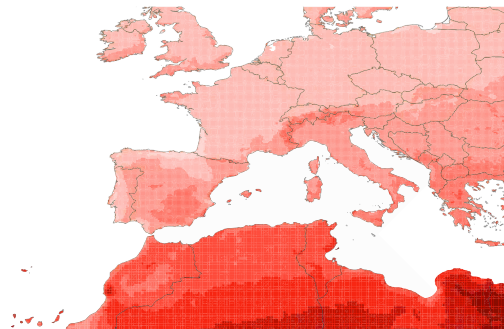


Average change in number of days per year experiencing a heat wave (in accordance with WSDI definition) in the RCP 2.6 and RCP 8.5 (2030-2050) scenarios compared with the historical benchmark (1990-2020) in central and southern Europe.

The number of days characterized by heat waves calculated according to the WSDI is also expected to increase in the Americas in all future scenarios (see the following figure).

Comparing the 2030-2050 period with the 1990-2020 period, South America should already experience a significant increase in days of heat waves in the RCP 2.6 scenario, especially in certain areas of Brazil, Colombia and northern

RCP 8.5



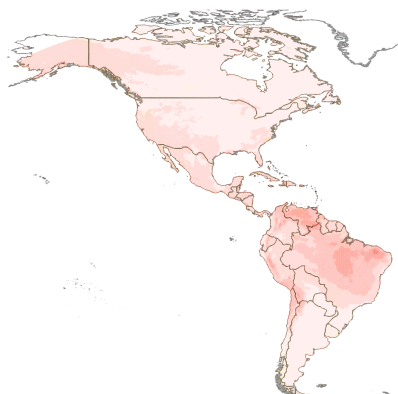
Chile. Central America, the western coast of North America and the southern part of the United States are also forecast to see a significant increase in days characterized by heat waves in the RCP 2.6 scenario in the 2030-2050 period compared with the benchmark.

In general, the increase in the number of days with heat waves will be even more pronounced in the RCP 8.5 scenario across the continent.

RCP 2.6

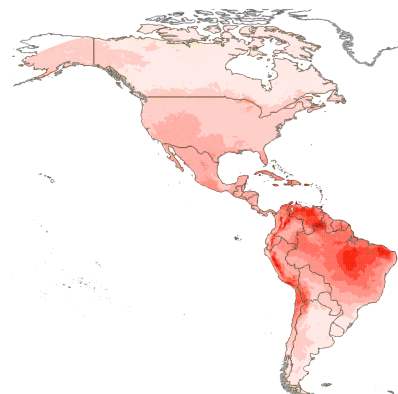
Δ days –
RCP vs historical

- 2 • 0
- 0 • 10
- 10 • 20
- 20 • 30
- 30 • 40
- 40 • 50
- 50 • 60
- 60 • 70
- 70 • 80
- > 80



Average change in number of days per year experiencing a heat wave (in accordance with WSDI definition) in the RCP 2.6 and RCP 8.5 (2030-2050) scenarios compared with the historical benchmark (1990-2020) in the Americas.

RCP 8.5



Extreme precipitation

Intense rainfall can be analyzed by estimating the change in daily rainfall above the 95th percentile, calculated in terms of average annual millimeters in the reference periods.

In central and southern Europe, the expected change in acute precipitation in the 2030-2050 period compared with 1990-2020 varies from area to area and depending on the scenario considered.

Specifically, under the RCP 2.6 scenario, Italy is expected to experience a more significant increase in extreme rainfall in the north-east and along the Tyrrhenian coast,

while the phenomenon is expected to decrease along the Adriatic coast, in the south and the islands. Under the RCP 8.5 scenario, extreme precipitation is expected to increase in most of Italy, except in the islands and some areas of the center and south-west, where the data point to a slight increase. In Spain, changes are expected in extreme precipitation in most of the territory already in the RCP 2.6 scenario. In particular, intense precipitation will increase slightly in some areas of the north, but will decrease in the south-east. In the RCP 8.5 scenario, heavy rainfall will decrease across the south of the country and the north-west.

Future changes in intense rainfall will differ considerably in the Americas as well. In some areas of South America, such as north and east Brazil, northern Argentina and central-southern Chile, reductions from the historical trends are projected to occur under the RCP 2.6 scenario. In other areas, however, such as in most of Colombia and other areas of Brazil, intense rainfall is forecast to increase. In almost all of North America, acute precipitation is expected to increase in the RCP 2.6 scenario compared with the historical average (although the magnitude of these increases varies from area to area). In Mexico, however, the future change varies depending on the area. Finally, under the RCP 2.6 scenario, intense rainfall will decrease in the central and southern areas of Central America. In other areas, rainfall levels will remain unchanged or increase slightly.

Fire risk

Fire risk can be studied using the Fire Weather Index (FWI), an indicator widely used internationally that takes account of temperature, humidity, rainfall, and wind in order to calculate an estimate of fire risk. Figures provided by the ICTP may be used to describe the trend in fire risk in order to support the business in properly managing this risk. To give a more complete representation of fire risk, we can supplement analysis on this acute phenomenon with a study of vegetation indices, since vegetation can serve as fuel and increase the probability of a fire spreading.⁽²⁹⁾

In central and southern Europe, the number of days per year experiencing extreme fire risk (i.e. those with a FWI value > 45) will tend to increase almost everywhere in the 2030–2050 period compared with the 1990–2020 benchmark. The studies conducted for Italy show that the number of days at high risk increase in all scenarios, especially in the summer. This change will be even more accentuated under the RCP 8.5 scenario and mainly affect the islands and southern regions of the country. In general, in these areas the increase in the number of days at extreme risk ranges from approximately +6 to +11 days compared with the historical average. The area of Spain that will see the greatest increase in fire risk is the central south in all future scenarios. This increase is larger in the RCP 8.5 scenario than in the RCP 2.6 scenario.

In the Americas, the expected evolution of extreme fire risk varies from area to area. In South America, in the RCP 2.6 scenario the number of days at high first risk increases in most of Brazil and Chile and in the north-west and south of Argentina. In the remaining areas of the macroregion it remains unchanged or decreases slightly. In North and Central America, high fire risk remains essentially unchanged in most of the macroregion in the RCP 2.6 scenario. Only in the western areas of the United States and Mexico are increases in the number of days at high risk expected, with the increase rising as the scenario become more severe.

Cold snaps

A number of indicators can be used to measure extreme cold-related events.⁽³⁰⁾ One of these is the frost days index, i.e. the average number of frost days per year.⁽³¹⁾

Comparing the RCP 2.6 scenario (2030–2050) with the historical benchmark (1990–2020), in central and southern Europe the number of frost days will remain unchanged or decrease slightly in all countries. Only in some areas, such as the Alps in Italy and the Pyrenees in Spain, will the number of days of intense cold decrease (from –5 to –10 days compared with the historical benchmark). Under the RCP 8.5 scenario, the decrease in frost days is expected to be more geographically extensive. In northern Italy and in some Apennine areas of the peninsula and in part of northern and central Spain, the forecast is for a reduction of up to 15 days of frost per year, again compared with the benchmark period.

In most of the Americas, the number of frost days will remain unchanged under both RCP scenarios; only in some areas are decreases expected. Latin America will experience a decline in frost days in some central-western and southern areas, and the decrease will be larger under the RCP 8.5 scenario compared with the RCP 2.6. Frost days will decrease in North America and Central America, especially in the western part of the macroregion, with larger and more extensive declines under the RCP 8.5 scenario. Note that a decrease in frequency does not exclude an increase in the intensity of these acute events, an issue that the Group is currently investigating.

(29) One of the metrics used is obtained using NASA data for the Normalized Difference Vegetation Index (NDVI). NDVI quantifies vegetation by measuring the difference between near-infrared light (which vegetation reflects strongly) and red light (which vegetation absorbs). This is a good indicator of vegetation growth and density. The higher the NDVI, the more abundant and healthier the vegetation.

(30) In addition to the standard indices reported in the scientific literature, *ad hoc* metrics have also been developed to better study the phenomenon at the technology level.

(31) Frost days are days in which the minimum temperature (T_{min}) is less than 0 °C.

Europe: heat waves and climate change

In the summer of 2023, Europe was overwhelmed by heat waves, with exceptionally high temperatures combining with drought and wind to drive the spread of fires. These events fall within a pattern of a significant increase in extreme physical phenomena in recent decades. However, it is important to understand how and to what extent these events are connected to climate change driven by human activities. This is not an easy task, but studies of individual events can help. "Event attribution" science seeks to do just this, providing explanations based on science and thus avoiding the dissemination of misleading or false information. By studying surface pressure, temperature variables and past events, it is possible to establish that phenomena such as the long and intense heat wave of July 2023 (Cerberus) are above all attributable to natural climate variability. By contrast, the anomalous heat wave of August 21-

23 that hit central and western Europe was a unique event that can largely be attributed to anthropogenic climate change.⁽³²⁾

In general, event attribution studies indicate that, on average, in Europe:

- a heat wave that in the pre-industrial climate would have occurred 1 time every 10 years is now expected to occur 2.8 times within 10 years and will be 1.2 °C warmer. With a rise of +2 °C by 2100, it will occur 5.6 times and be 2.6 °C warmer;
- a heat wave that in the pre-industrial climate would have occurred 1 time every 50 years is now expected to occur 4.8 times over 50 years and will be 1.2 °C warmer. With +2° C of global warming, it will occur 13.9 times and be 2.7 °C warmer.

It should be emphasized that these numbers refer to moderate heat waves. More extreme events may be up to a hundred times more likely due to climate change.

Chronic phenomena

Temperature

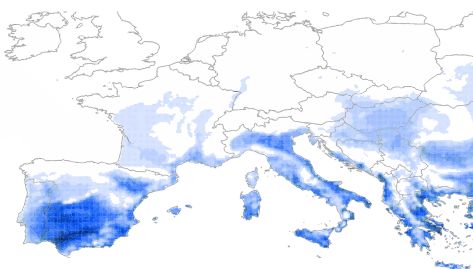
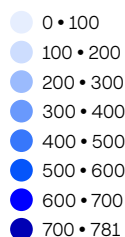
Chronic temperature changes can be analyzed to obtain information about the potential effects on the cooling and heating demand of local energy systems. The thermal requirement has been measured using Heating Degree Days (HDDs), i.e. the sum, for all days of the year with a $T_{\text{average}} \leq 15^{\circ}\text{C}$, of the differences between the internal temperature (with T_{internal} assumed to be 18 °C) and the average temperature, and Cooling Degree Days (CDDs), i.e. the sum, for all days of the year with $T_{\text{average}} \geq 24^{\circ}\text{C}$, of the differences

between T_{average} and T_{internal} (assumed to be 21 °C), respectively, for heating and cooling requirements. The country averages have been calculated as an average over the country, weighting each geographical node by population thanks to the use of the Shared Socioeconomic Pathways (SSPs) associated with each RCP scenario. Since CDD is the variable that experiences the greatest change, the figure shows CDDs at high resolution for the historical data and the average variation expected in the RCP 2.6 scenario in the 2030-2050 period for Europe and South America. The distribution of the population used as a weight for the calculation at the national level is also shown.

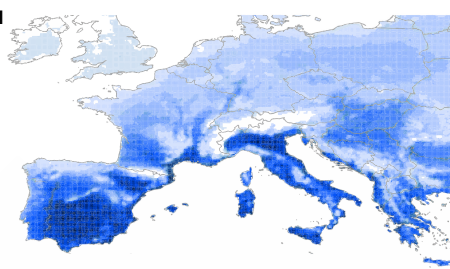
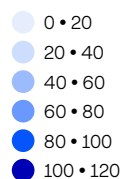
(32) The conclusions on the heat waves that occurred in the summer of 2023 were derived from analyses conducted by members of the scientific community using the experimental "ClimaMeter" framework. More information is available at the following link: <https://www.climameter.org/home>.

COOLING DEGREE DAYS (CDD)

Degree days
per year historical

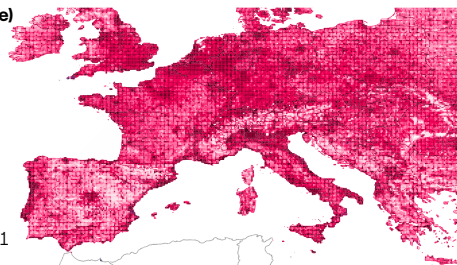
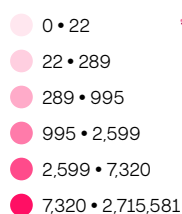


Δ degrees/year –
RCP 2.6 vs historical

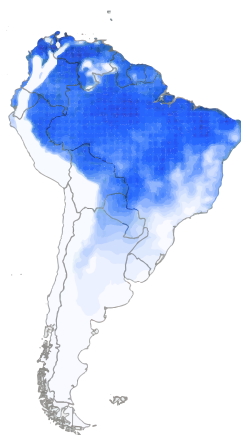


POPULATION DISTRIBUTION

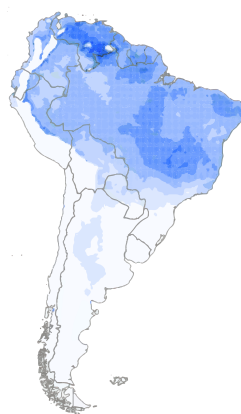
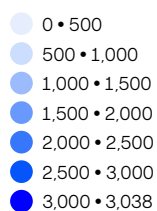
Population
(thousands of people)



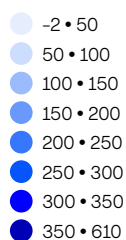
COOLING DEGREE DAYS (CDD)



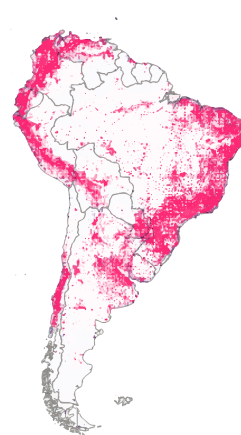
Degree days
per year historical



Δ degrees/year –
RCP 2.6 vs historical



POPULATION DISTRIBUTION



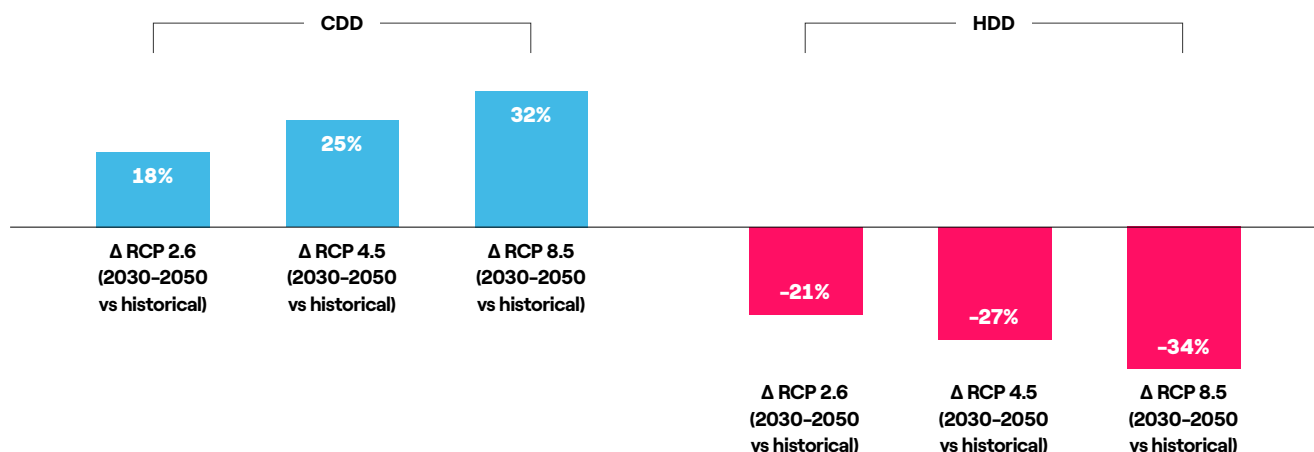
Population
(thousands of people)



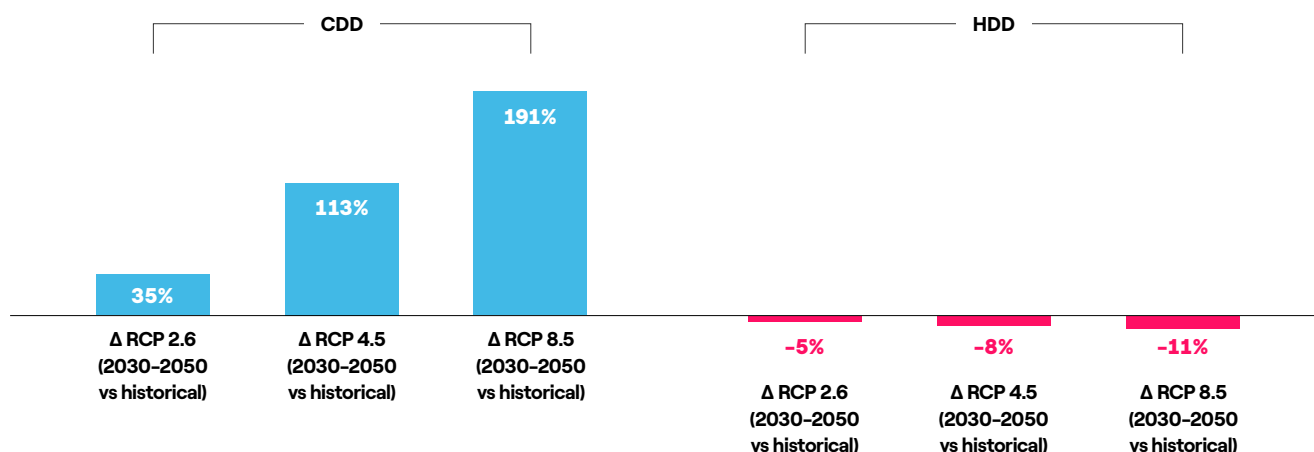
In general, in 2030–2050 CDDs show a rising trend, always exceeding the historical data, with increases in all the various scenarios. This agrees with the increase in average temperatures predicted by climate models, which is then also reflected in an increase in cooling needs. Heating

requirements also decline as temperatures increase, although the rise is less pronounced than that in the cooling requirement. The table reports the country-level percentage changes for the countries of greatest interest to the Group under the RCP 2.6, RCP 4.5 and RCP 8.5 scenarios.

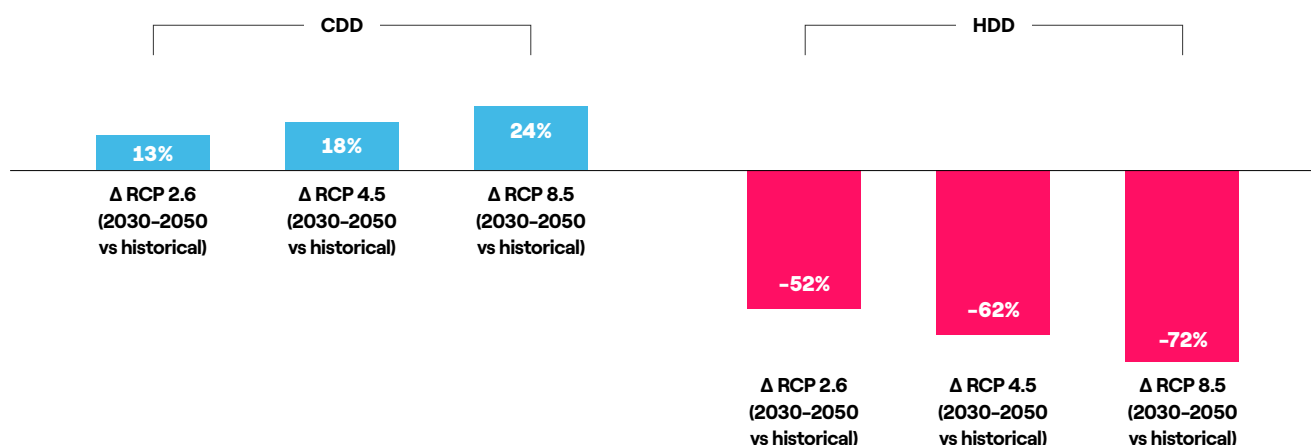
BRAZIL



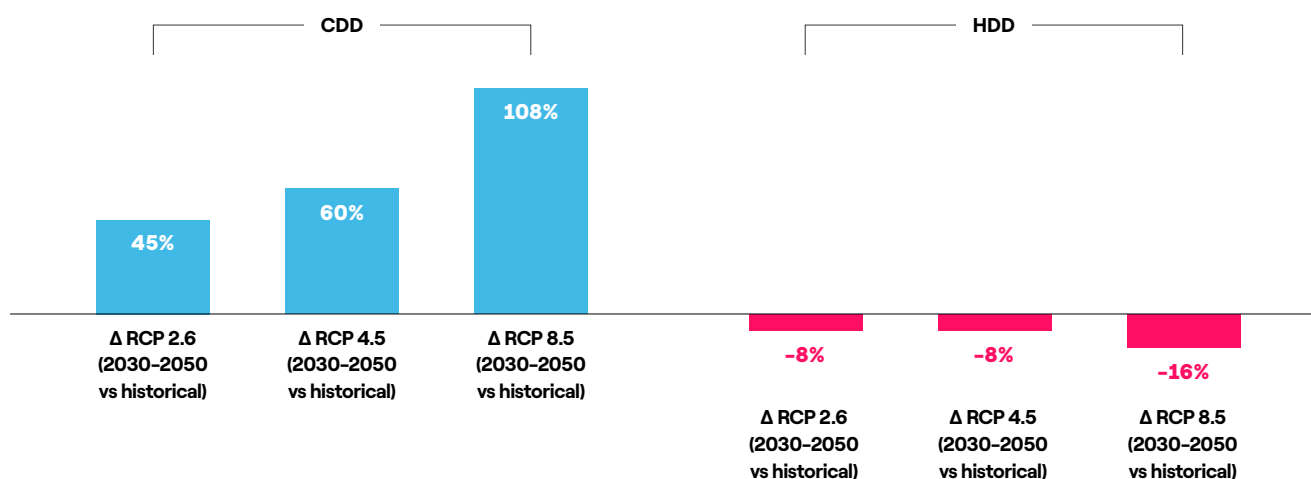
CHILE



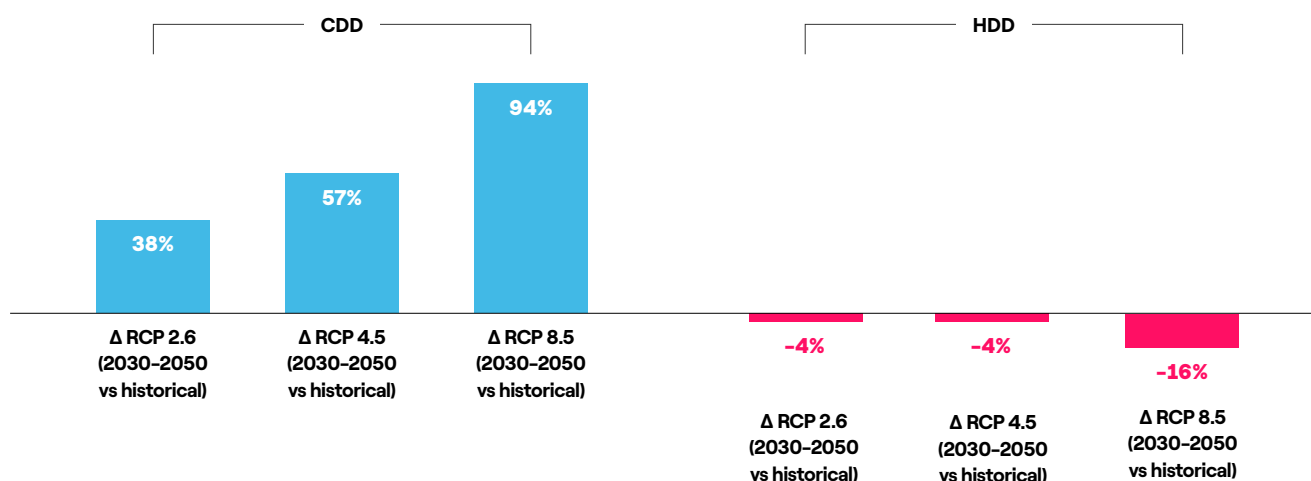
COLOMBIA



ITALY



SPAIN



Precipitation

Another chronic phenomenon of interest is the change in total precipitation due to climate change, which could impact hydroelectric generation. Changes in this phenomenon in the areas of interest for the Group have therefore been analyzed. The analysis of European catchment areas, which compared the 2030–2050 forecast with 1990–2020, points to no significant change, with a generalized slightly downward trend in central and southern Italy and Spain under the RCP 2.6 scenario.

As regards South America, the analyses, which compare the same time intervals, show a downward trend in Ar-

gentina and Colombia. Brazil is projected to experience a slight increase or decrease in total rainfall under the RCP 2.6 scenario depending on the group of catchment areas considered. Finally, as with Argentina and Colombia, the projections for Chile also point to a reduction in total rainfall in the scenario with the lowest emissions, but this may have already manifested itself in recent years (with a real decrease on historic norms).

Comparing the various RCPs (2030–2050) and the historical model (1990–2020), expected total annual rainfall tends to decline in Central America, while in North America it will remain the same or increase depending on the area.

Overall effect of the transition and physical scenarios on electricity demand

The use of integrated energy system models described in the section “Local transition scenarios” makes it possible to quantify the individual service demand of a country. This makes it possible to discriminate the specific long-term effects that a change in temperature can have on energy demand. For this purpose, the *Reference*, *Slower Transition* and *Accelerated Transition* scenarios described above have been expanded to include the effect that temperature increases have on energy demand (total, not just electricity) for residential and commercial heating and cooling, as measured in terms of Heating Degree Days (HDDs) and Cooling Degree Days (CDDs).

The definition of a benchmark scenario consistent with achieving the Paris objectives makes it possible to associate HDDs and CDDs consistent with the RCP 2.6 scenario to the *Reference* scenario and the *Accelerated Transition* scenario, which is characterized by a faster decline in emissions. HDDs and CDDs consistent with RCP 4.5 were instead associated with the *Slower Transition* scenario, because it corresponds to a slower decline in greenhouse gas emissions. To stress the analyses further, the latter scenario was also associated with RCP 8.5.

Italy and Spain

For Italy, the change in the level of electricity demand between the two extreme scenarios considered (*Slower* and *Accelerated Transition*) due to transition phenomena is about 18 percentage points on average in the 2031–2050 period. Excluding the effect of electricity demand for green hydrogen production, the difference in electricity demand falls to 8%.

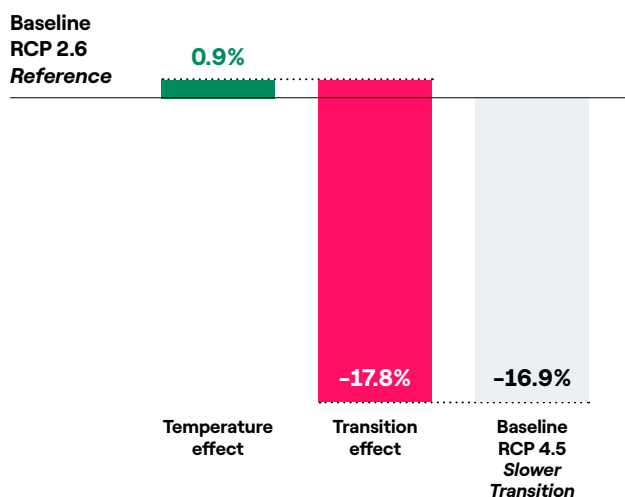
As regards Spain, the percentage differences due to transition phenomena are smaller than in Italy, since the existing National Energy Plan sets particularly ambitious climate objectives. Consequently, less variability is expected in the evolution of the energy system and therefore electricity demand in the 2031–2050 period. The delta between the two extreme cases considered (*Slower* and *Accelerated Transition*) is around 10 percentage points on average in 2031–2050. If we exclude the effect of electricity demand for hydrogen production, the difference narrows to around 2%.

For both countries, the speed of the energy transition has a much greater impact on the level of electricity demand than the effects of the increase in temperature deriving from climate change, as the analyses performed show how the latter causes demand to increase by less than one percentage point for both Italy and Spain.

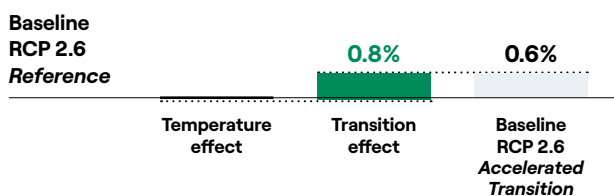
CLIMATE AND ENERGY TRANSITION SCENARIOS: IMPACT OF TEMPERATURE AND TRANSITION ON ELECTRICITY DEMAND

ITALY

**Reference RCP 2.6 to
Slower Transition RCP 4.5**



**Reference RCP 2.6 to
Accelerated Transition RCP 2.6**

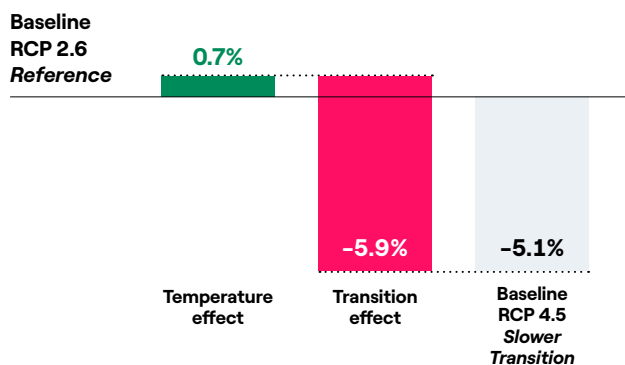


Italy – Average impact on electricity demand (2031–2050) of the three transition scenarios coupled with the associated RCP 2.6 and 4.5 scenarios.

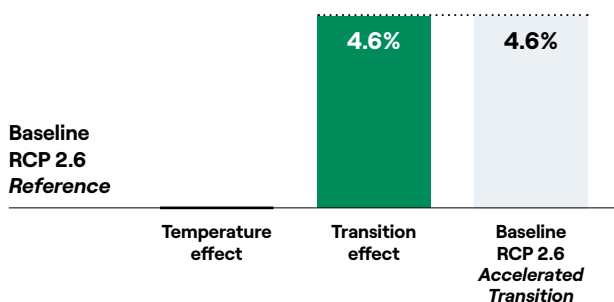
CLIMATE AND ENERGY TRANSITION SCENARIOS: IMPACT OF TEMPERATURE AND TRANSITION ON ELECTRICITY DEMAND

SPAIN

**Reference RCP 2.6 to
Slower Transition RCP 4.5**



**Reference RCP 2.6 to
Accelerated Transition RCP 2.6**



Spain – Average impact on electricity demand (2031–2050) of the three transition scenarios coupled with the associated RCP 2.6 and 4.5 scenarios.

In order to further investigate the effect of temperature on the transition scenarios and at the same time expand the range of assumptions regarding climate change, a sensitivity analysis was conducted by associating the *Slower*

Transition scenario to RCP 8.5 in addition to RCP 4.5. The analysis found that on average the change in electricity demand due to a deterioration in the climate scenario in 2031-2050 was negligible.

Effect of temperature and transition on electricity demand, average over the specified period of temperature and transition contributions for different combinations of transition scenarios and climate pathways, with and without green hydrogen

		Reference to <i>Slower Transition</i> RCP 4.5			Reference to <i>Slower Transition</i> RCP 8.5			Reference to <i>Accelerated Transition</i>		
		Transition effect	Temperature effect from RCP 2.6 to RCP 4.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 8.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 2.6	Total impact
Italy	2024-2030	-4.0%	0.0%	-4.0%	-4.0%	0.0%	-4.0%	1.0%	0.0%	1.0%
	2031-2050	-17.8%	0.9%	-16.9%	-17.8%	0.9%	-16.9%	0.8%	-0.1%	0.6%
Italy without H2V	2024-2030	-3.1%	0.0%	-3.1%	-3.1%	0.0%	-3.1%	1.0%	0.0%	1.0%
	2031-2050	-7.9%	0.9%	-6.9%	-7.9%	0.9%	-7.0%	0.3%	-0.1%	0.2%
Spain	2024-2030	-4.2%	0.1%	-4.1%	-4.2%	0.1%	-4.0%	3.1%	0.1%	3.2%
	2031-2050	-5.9%	0.7%	-5.1%	-5.9%	0.7%	-5.2%	4.6%	0.0%	4.6%
Spain without H2V	2024-2030	-2.7%	0.0%	-2.7%	-2.7%	0.1%	-2.6%	2.2%	0.0%	2.2%
	2031-2050	-5.6%	0.8%	-4.8%	-5.6%	0.7%	-4.9%	2.2%	0.1%	2.3%

Note that in future years greater than expected electrification of heating in buildings could change both the sign and the size of the temperature effect in both countries.

It is therefore necessary to monitor developments in the share of electrification of heating during the annual review.

Latin America

In Latin America, the impact of temperature trends, quantified through the Heating Degree Days (HDDs) and Cooling Degree Days (CDDs) metrics, was estimated using integrated energy system models for Brazil, Chile and Colombia, similar to the approach adopted for Italy and Spain, as discussed above. Econometric forecasting models based on historical elasticity were used for Argentina.

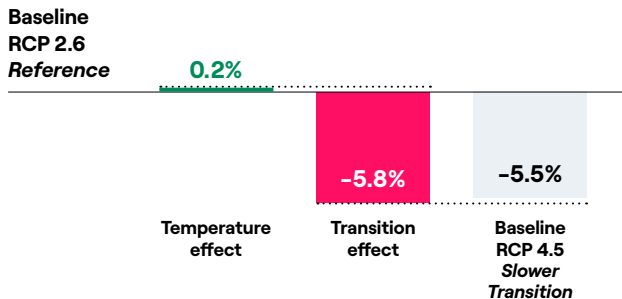
In the case of Brazil, the transition effect considered individually (i.e. excluding the impact of an increase in temperature), electricity demand in the *Slower Transition* sce-

nario is approximately 6% lower on average in 2031-2050 compared with the *Reference* scenario, given the different levels of ambition of the two scenarios in both 2030 and 2050. In the *Accelerated Transition* scenario, the slightly higher ambition in the *Reference* scenario is achieved via faster electrification. Accordingly, the electricity demand delta in 2031-2050 averages around a positive 3-4%. Also in this case, the speed of the energy transition has a much greater impact on the level of electricity demand than the negligible effects of the increase in temperature deriving from climate change.

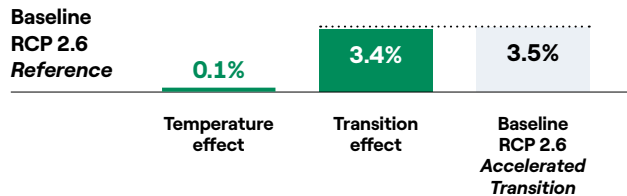
CLIMATE AND ENERGY TRANSITION SCENARIOS: IMPACT OF TEMPERATURE AND TRANSITION ON ELECTRICITY DEMAND

BRAZIL

Reference RCP 2.6 to Slower Transition RCP 4.5



Reference RCP 2.6 to Accelerated Transition RCP 2.6



Brazil – Average impact on electricity demand (2031–2050) of the three transition scenarios coupled with the associated RCP 2.6 and 4.5 scenarios.

Here, too, a sensitivity analysis was carried out by associating the *Slower Transition* scenario with RCP 8.5 in addition to RCP 4.5. For Brazil, an assumption of a further temperature increase produces an increase in long-term

demand of close to zero (2031–2050). The effect is not significant given that the delta in the CCDs for Brazil is one of the smallest among the countries analyzed.

Effect of temperature and transition on electricity demand, average over the specified period of temperature and transition contributions for different combinations of transition scenarios and climate pathways, with and without green hydrogen

		Reference to Slower Transition RCP 4.5			Reference to Slower Transition RCP 8.5			Reference to Accelerated Transition		
		Transition effect	Temperature effect from RCP 2.6 to RCP 4.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 8.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 2.6	Total impact
Brazil	2024–2030	-3.6%	0.1%	-3.5%	-3.6%	0.3%	-3.3%	1.1%	0.1%	1.2%
	2031–2050	-5.8%	0.2%	-5.5%	-5.8%	-0.2%	-5.9%	3.4%	0.1%	3.5%
Brazil without H2V	2024–2030	-3.5%	0.1%	-3.3%	-3.5%	0.3%	-3.2%	0.2%	0.1%	0.3%
	2031–2050	-6.2%	0.2%	-6.0%	-6.2%	-0.2%	-6.4%	3.4%	0.1%	3.5%

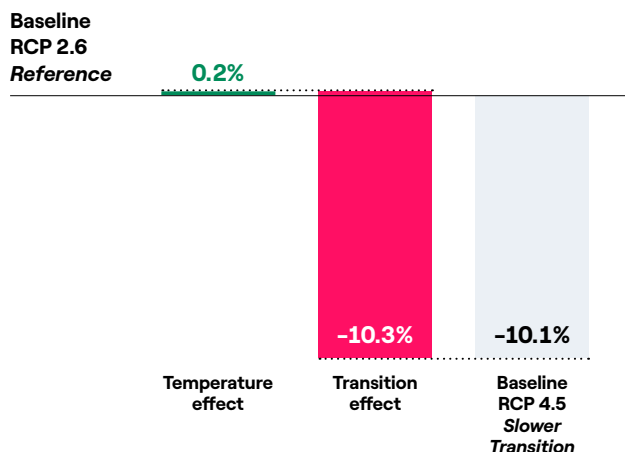
For Chile, electricity demand is reduced by transition effects considered individually by about 10% on average in 2031–2050 in the *Slower Transition* scenario compared with the *Reference* scenario, given the different levels of ambition of the two scenarios. This difference is mainly due to assumptions regarding the achievement of the country's ambitious targets for green hydrogen production after 2030 set out in the document *Planificación Energética Nacional de Largo Plazo* (PELP). If the effect of electricity demand for hydrogen production – for which the two scenarios have different levels of ambition in relation to the different decarbonization trajectories – is omitted, the difference declines to about 6%. In the *Accelerated Transition* scenario, the greater ambition of the en-

ergy transition is achieved through the implementation of more stringent decarbonization policies to achieve greater electrification, greater penetration of green hydrogen in industry and transport and increased exports of that hydrogen. This leads to an average increase of about 11% in electricity demand over the baseline of the *Reference* scenario in 2031–2050. Excluding the effect of electricity demand connected with the production of green hydrogen, electricity demand is an average of about 12% higher than in the *Reference* scenario in the 2031–2050 period. Once again, the speed of the energy transition has a much greater impact on the level of electricity demand than the increase in temperature caused by climate change.

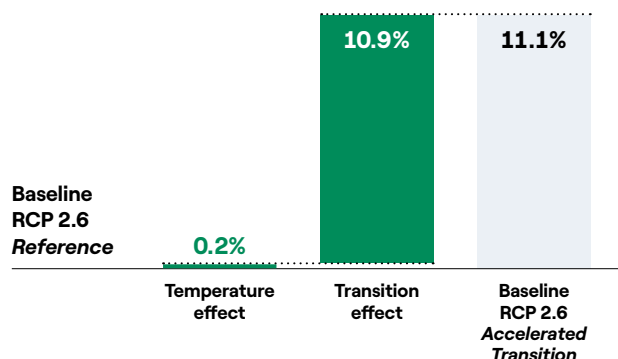
CLIMATE AND ENERGY TRANSITION SCENARIOS: IMPACT OF TEMPERATURE AND TRANSITION ON ELECTRICITY DEMAND

CHILE

Reference RCP 2.6 to Slower Transition RCP 4.5



Reference RCP 2.6 to Accelerated Transition RCP 2.6



Chile – Average impact on electricity demand (2031–2050) of the three transition scenarios coupled with the associated RCP 2.6 and 4.5 scenarios.

To stress the analyses further, the *Slower Transition* scenario was also associated with RCP 8.5. For Chile, an assumption

of that further temperature increase produces an increase in long-term demand of close to zero (2031–2050).

Effect of temperature and transition on electricity demand, average over the specified period of temperature and transition contributions for different combinations of transition scenarios and climate pathways, with and without green hydrogen

		Reference to Slower Transition RCP 4.5			Reference to Slower Transition RCP 8.5			Reference to Accelerated Transition		
		Transition effect	Temperature effect from RCP 2.6 to RCP 4.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 8.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 2.6	Total impact
Chile	2024–2030	-1.5%	0.2%	-1.3%	-1.5%	0.2%	-1.2%	1.5%	0.1%	1.6%
	2031–2050	-10.3%	0.2%	-10.1%	-10.3%	0.3%	-10.0%	10.9%	0.2%	11.1%
Chile without H2V	2024–2030	-0.5%	0.4%	-0.2%	-0.5%	0.5%	0.0%	2.7%	0.2%	2.9%
	2031–2050	-6.2%	0.4%	-5.8%	-6.2%	0.5%	-5.7%	11.5%	0.5%	12.0%

In the case of Colombia, transition effects reduce electricity demand in the *Slower Transition* scenario by about 36% in the period 2031–2050 compared with the *Reference* scenario, mainly reflecting the significant difference in the ambition of the two scenarios. The *Slower Transition* was defined by taking as a starting point the most prudent scenario in the national government plan (*Hoja de Ruta de la Transición Energética Justa*), characterized by limited decarbonization, which therefore leads to a much lower level

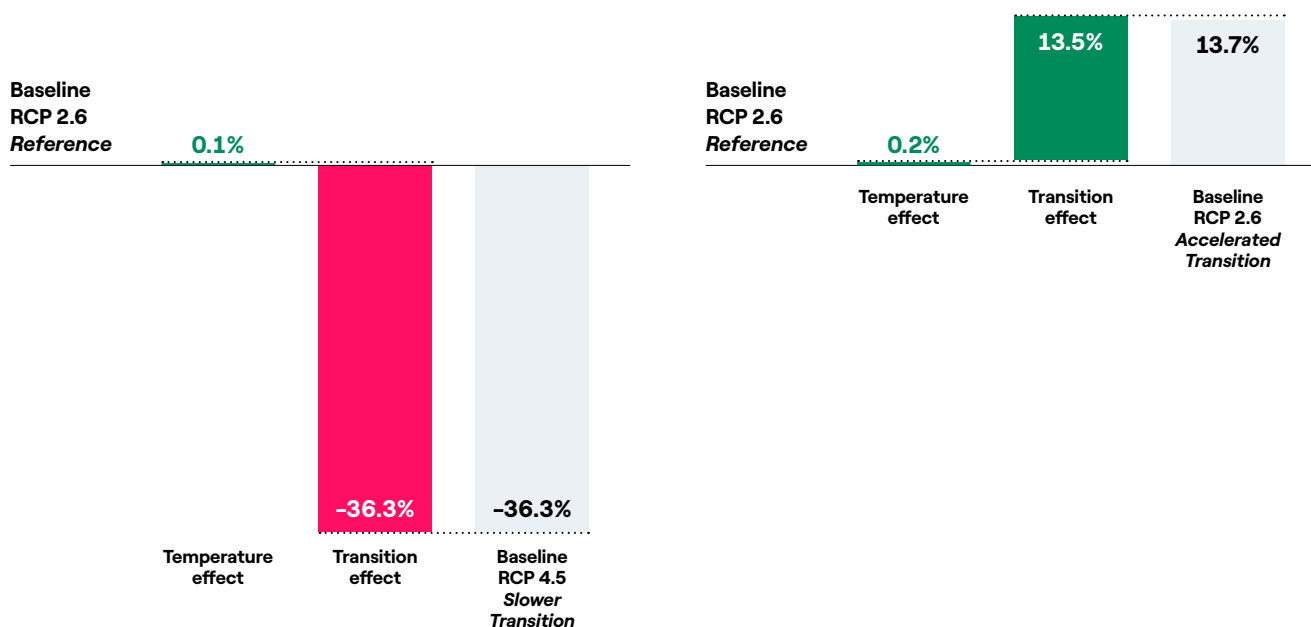
of electrification than in the *Reference* scenario. On the other hand, the difference between the *Reference* scenario and the *Accelerated Transition* scenario shows an increase of about 14% due to the transition alone, while the climate effect is less than 1%. This reflects the increase in electrification resulting from much more ambitious decarbonization goals. The effect of hydrogen is not particularly relevant in the scenarios analyzed.

CLIMATE AND ENERGY TRANSITION SCENARIOS: IMPACT OF TEMPERATURE AND TRANSITION ON ELECTRICITY DEMAND

COLOMBIA

**Reference RCP 2.6 to
Slower Transition RCP 4.5**

**Reference RCP 2.6 to
Accelerated Transition RCP 2.6**



Colombia - Average impact on electricity demand (2031-2050) of the three transition scenarios coupled with the associated RCP 2.6 and 4.5 scenarios.

Effect of temperature and transition on electricity demand, average over the specified period of temperature and transition contributions for different combinations of transition scenarios and climate pathways, with and without green hydrogen

		Reference to Slower Transition RCP 4.5			Reference to Slower Transition RCP 8.5			Reference to Accelerated Transition		
		Transition effect	Temperature effect from RCP 2.6 to RCP 4.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 8.5	Total impact	Transition effect	Temperature effect from RCP 2.6 to RCP 2.6	Total impact
Colombia	2024-2030	-2.3%	0.2%	-2.0%	-2.3%	0.2%	-2.1%	1.7%	0.1%	1.8%
	2031-2050	-36.3%	0.1%	-36.3%	-36.3%	0.1%	-36.3%	13.5%	0.2%	13.7%
Colombia without H2V	2024-2030	-2.2%	0.2%	-2.0%	-2.2%	0.2%	-2.0%	1.7%	0.1%	1.7%
	2031-2050	-36.2%	0.0%	-36.1%	-36.2%	0.0%	-36.1%	14.7%	0.2%	14.9%

Finally, as regards Argentina, the analyses performed show that an increase in temperature could increase electricity demand by between 0.4% and 0.8% (calculated as the average of demand forecasts for the 2031-2050 period). This estimate is highly dependent on the effect that mac-

roeconomic conditions in the country might have on electricity demand. As a result, it is affected by a significant degree of uncertainty given the high volatility of the performance of the Argentine economy.

GROUP STRATEGY

Determination of the Group's strategy is based on an assessment of options that will enable the sustainable generation of value for all stakeholders, ensuring flexibility and focusing on risk mitigation.

Key to this is the assessment of the external environment and its evolution. To determine the framework in which we operate, we conduct in-depth scenario planning in order to be prepared to seize opportunities and manage future risks and uncertainties in the most robust manner possible. This analysis of what could happen in the external landscape is key to defining the Group's positioning within that landscape. We then define our long-term ambitions and design the strategic options that characterize our long-term planning.

In recent years, the increasing complexity of the rapidly changing context in which we operate has made it so that the process of defining the Group's strategies has also evolved in order to capture as much of this dynamism as possible, so as to make it an enabling factor in the definition of goals.

Today, this process is organized into the following main activities:

- **Strategic Dialogue:** a continuous process of active dialogue throughout the year and across all Group functions, through which the strategic topics for the evolution and growth of the Group are identified, analyzed, discussed and addressed. This dialogue is part of a strategic design phase, where communication among executives makes a valuable contribution to developing new strategic options, with an emphasis on the need for cultural or organizational change and synergies between businesses.
- **Strategic Planning:** this process, which is driven on an ongoing basis by feedback from the strategic dialogue, transforms the information to be processed into quantitative models in order to establish an overview of the industrial, economic and financial evolution of the Group, supplemented by possible active portfolio management. The evaluation of strategic options over a time horizon extends beyond that used in industrial

planning, with (i) the definition and the quantitative and qualitative development of alternative macroeconomic, energy and climate scenarios against which overall strategy can be assessed, and (ii) analyses based on stress testing for various factors, including the evolution of the industrial sector, technology, competitive structure, climate variables and policies.

- **Long-term positioning:** consistent with the analyses and decisions described in the previous points, and basing on our ambitions for environmental and economic-financial sustainability and the opportunities to be seized on the market, the Group's positioning is defined with regard to the long-term industrial strategy.
- **Analysis of ESG factors and assessment of materiality** in the field of sustainability: Enel assesses ESG issues in order to identify and evaluate priorities for stakeholders, conducting a double materiality analysis to determine the material issues that support the definition of the objectives to be included in the strategic sustainability planning. This analysis takes into consideration the ESRS standards of the European Sustainability Reporting Directive (CSRD) as well as numerous other international standards (for example, the Global Reporting Initiative - GRI, SASB, SDG Compass, etc.).

The strategy of the Enel Group has proven its ability to create sustainable long-term value, fully integrating the themes of sustainability and close attention to climate change issues while simultaneously ensuring increased profitability for stakeholders.

The Group is among the leaders guiding the energy transition through the decarbonization of electricity generation, digitalization of distribution grids and the electrification of final consumption, which represent opportunities to create value and to accelerate achievement of the Paris Agreement objectives and the Sustainable Development Goals set by the United Nations in the 2030 Agenda. The Group also supports the principles of a just transition, as defined in the Just Transition Guidelines of the International Labor Organization (ILO), so that no one is left behind, in light of the social impact that the decarbonization strategy entails, while ensuring respect for human rights throughout the value chain.

STRATEGIC PLAN

Response to the current climate

Short-term global uncertainties have forced power companies to increase flexibility and improve visibility of returns. In the medium and long term, grids will have to be able to cope with increased electricity demand as electrification expands, and the growing proportion of renewables in the energy mix (including through distributed generation). Furthermore, the expected growth in renewables capacity will require battery storage in order to balance supply and demand.

In this scenario, the Group plans to allocate its investments efficiently. Regulated businesses will be at the center of the Group's strategy, seeking to improve quality and re-

silience and integrating new renewables capacity, with the support of advantageous regulatory frameworks. Investment decisions in renewables will be more selective, aiming for a positioning that maximizes returns and mitigates risks, also leveraging Partnership business models. Finally, the Group plans to optimize its customer portfolio and end-to-end processes, increasing efficiency in customer acquisition and management, improving customer loyalty through bundled offers and promoting the electrification of consumption. Generation and retail will be managed together in a flexible approach to the sourcing strategy, with the aim of improving profitability.

The 2024-2026 Strategic Plan

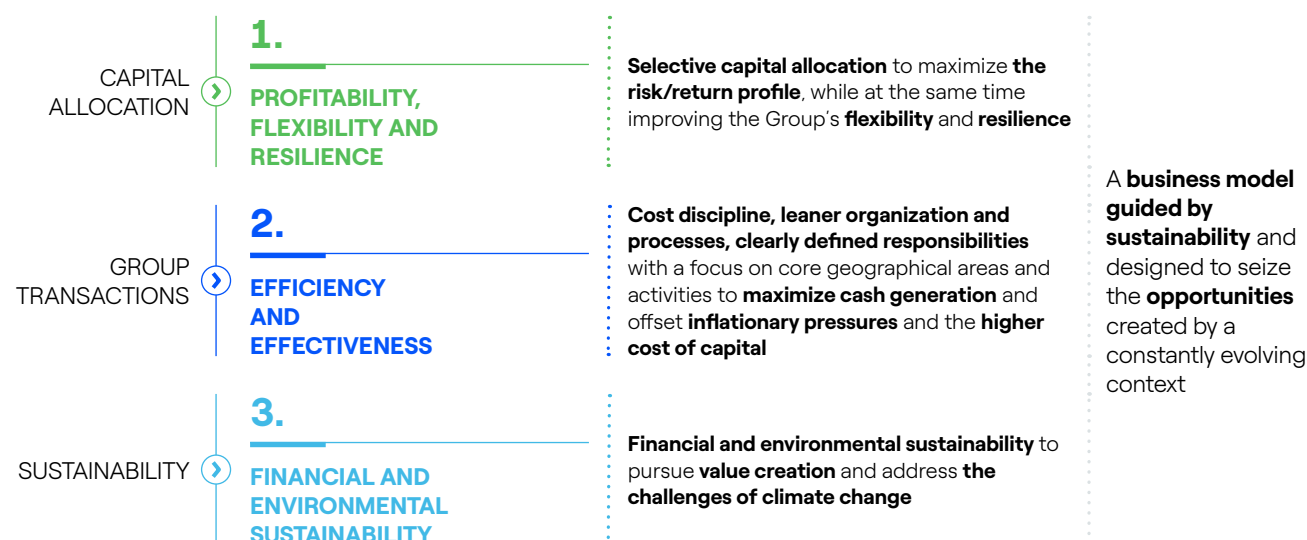
The Group's 2024-2026 Strategic Plan is founded on three pillars:

- profitability, flexibility and resilience through highly selective capital allocation, aimed at optimizing the Group's risk/return profile;
- efficiency and effectiveness as drivers of the Group's operations, based on process simplification, leaner or-

ganization with defined responsibilities and a focus on core geographies, as well as the rationalization of costs in order to maximize cash generation and offset inflationary pressures and the higher cost of capital;

- financial and environmental sustainability to pursue value creation in addressing the challenges of climate change.

STRATEGIC PILLARS



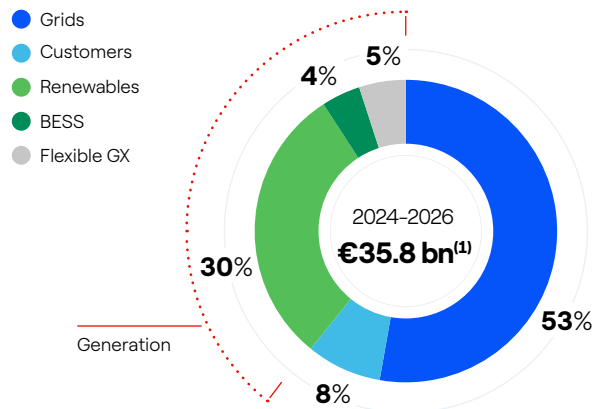
Profitability, flexibility and resilience

Between 2024 and 2026, the Group has planned total gross investments of about €35.8 billion. Given the current scenario, to implement a business model with less capital and risk intensity, the Group plans to:

- increase the focus on grids, in order to benefit from favorable regulatory environments and at the same time gain access to European financing, which is expected to contribute some €3.5 billion to the Group's total gross investments;
- create partnerships for renewables projects in order to flexibly invest financial resources in a total amount of around €6.1 billion.

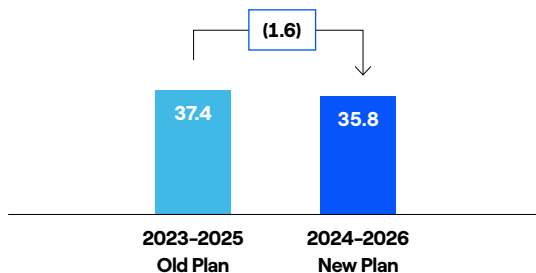
As a result, investments are expected to require less cash for the Group, with expected net investments of about €26.2 billion.

CUMULATIVE GROSS CAPITAL EXPENDITURE (€bn)

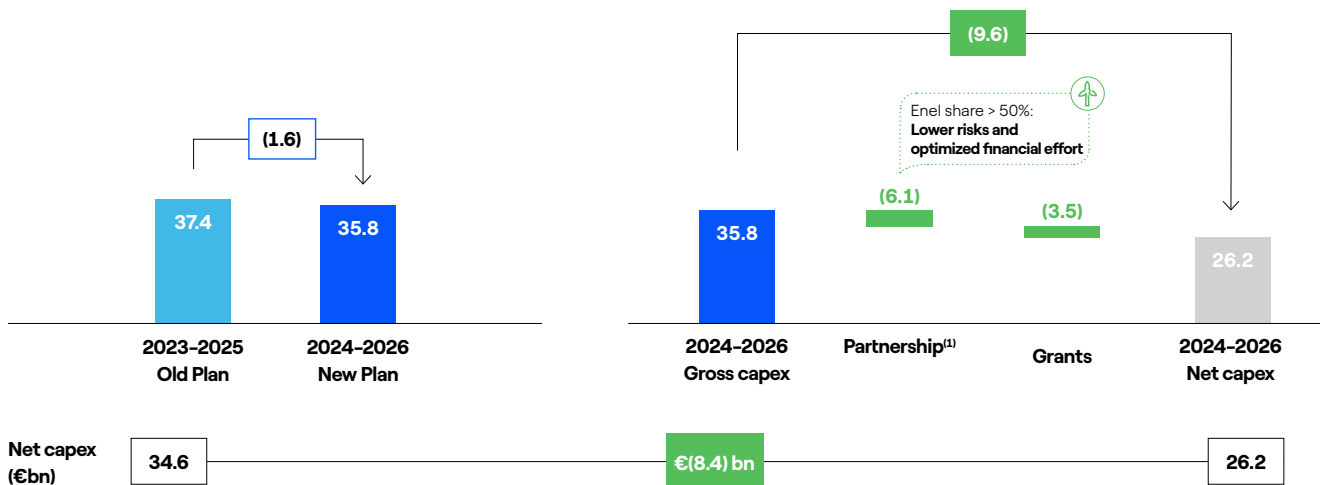


(1) Does not include "Other".

GROSS CAPITAL EXPENDITURE: OLD PLAN VS NEW PLAN (€bn)



2024-2026 PLAN: FROM GROSS CAPEX TO NET CAPEX (€bn)



(1) €6.1 billion includes: ~€4 billion cash-in from capacity to be built during plan period and ~€2 billion from existing capacity.

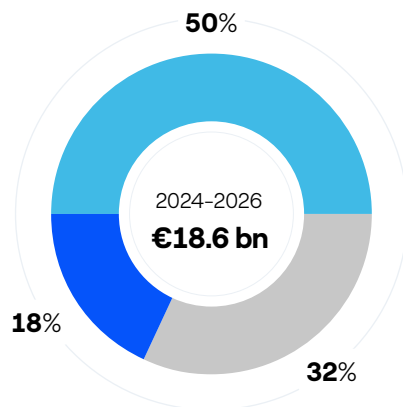
The Group confirms that it intends to focus its investments in six core countries, above all where it can leverage an integrated position: specifically Italy, Spain, Brazil, Chile, Colombia and the United States.

Grids – Between 2024 and 2026 the Group has planned gross investments of about €18.6 billion in Grids, of which about €15.2 billion net of grants. The allocation of capital

in grids is adapted in accordance with the planned returns in each country, with a concentration of investment in geographical areas characterized by a more balanced and clearer regulatory framework, notably in Italy where the Group plans to allocate about €12.2 billion in gross investments. Thanks to this capital allocation, ordinary EBITDA connected with Grids is expected to reach about €8.4 billion in 2026.

GROSS CAPITAL EXPENDITURE

- Quality, Resilience & Digitalization
- Grid operation
- Connections



Capital expenditure net of grants ~€15.2 bn

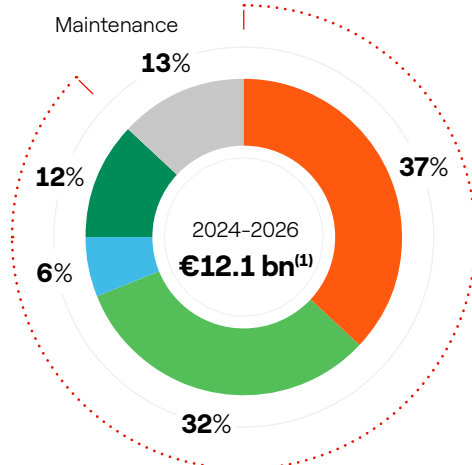
Integrated Businesses – The Group aims to increase margins in the Integrated Businesses by reducing provisioning costs.

In Renewables, the Group has planned gross investments of around €12.1 billion between 2024 and 2026. Specifi-

cally, the Group plans to invest in onshore wind, solar and battery storage. A key factor will be innovation, using repowering to increase the efficiency of plants and reduce generation costs, as well as storage batteries to enhance the flexibility of the electricity system and load management.

GROSS CAPITAL EXPENDITURE

- BESS
- Onshore wind
- Hydroelectric
- Solar
- Geothermal



Cash-in from partnerships ~€6 bn

(1) Does not include €0.3 billion in equity injections.

MAIN DRIVERS

- Regulatory advocacy**
Leverage regulatory frameworks that guarantee appropriate return on investment
- Quality**
Delivery high standards of service to customers together with low levels of losses with a view to enhancing profitability
- Optimize the asset base**
Improve the grid portfolio to maximize value and growth of RAB

MAIN DRIVERS

- Reduction of LCOE**
Continued optimization of unit capex and opex
- Improve risk/return profile**
Investments selected using a risk/return matrix differentiated by technology and geographical area
- Innovation**
Focus on repowering and BESS to improve system flexibility and congestion management
- Partnerships**
Leverage the contribution of non-Group partners

Furthermore, regarding the decarbonization process, the Plan envisages gradually eliminating investments in new carbon-intensive assets until their complete elimination in 2025. In particular, the Group expects to invest less than 3% of gross 2024–2026 investment in thermal generation, most of which will be dedicated to maintenance of existing plants, while investment in the development of new plants will be substantially limited to the conversion from coal to CCGT of the Fusina power plant, which is expected to be completed by 2024.

More than 90% of the Group's total investment in 2024–2026 is in line with the United Nations Sustainable Development Goals (SDGs) and directly work towards SDGs 7 ("Affordable and Clean Energy"), 9 ("Industry, Innovation and Infrastructure") and 11 ("Sustainable Cities and Communities"), all of which help to achieve SDG 13 ("Climate Action"). The alignment of investments stated in the Group's Strategic Plan with the objectives of decarbonization and the reduction of greenhouse gases is based on a specific approach by which investment in renewables and retail power, by their nature, fall under SDG 7, investment in distribution networks fall under SDG 9, and investments by Enel X concern SDG 11. Of the above, more than 90% thereby excludes investment in conventional power generation (including maintenance) and in retail gas.

Furthermore, we expect that more than 80% of all Group

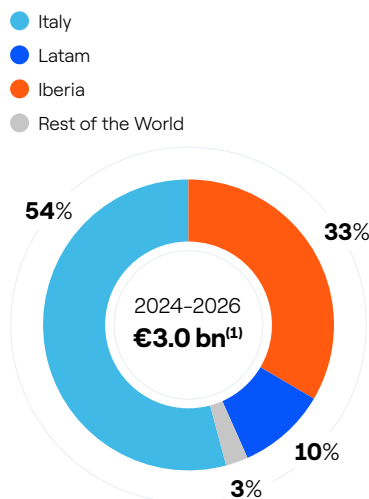
investment will continue to be in line with the EU taxonomy over the period covered by the Plan, given their substantial contribution to mitigating climate change.

Between 2024 and 2026, this new approach is expected to enable the Group to build approximately 13.4 GW of new renewables capacity across all the geographical areas in which it operates. In 2026, the Group's renewables capacity is expected to increase to approximately 73 GW, from about 62 GW in 2023, with the share of zero-emission generation reaching around 86%, compared with 75% in 2023 (including managed capacity).

In the Customer segment, the Group has planned gross investments of about €3 billion between 2024 and 2026. The main driver of the Group strategy in this segment will be the strengthening of customer centricity thanks to a single touchpoint for business-to-consumer (B2C) customers and small and medium-sized enterprises (SMEs), key accounts dedicated to the main business-to-business (B2B) and business-to-government (B2G) customers, as well as bundled offers.

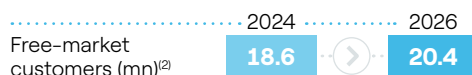
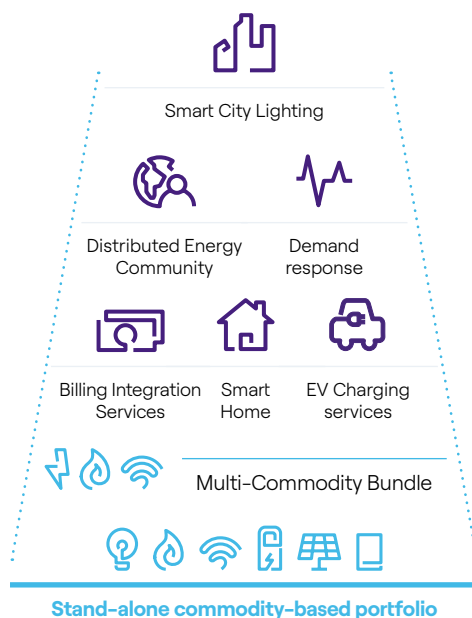
Thanks to these initiatives, the ordinary EBITDA of the Integrated Businesses is expected to reach around €15.5 billion in 2026, with renewables as the main growth factor over the Plan period.

GROSS CAPEX



(1) Does not include "Other".
(2) Power.

COMMERCIAL PROPOSITION



MAIN DRIVERS

- **Geographical rebalancing:** focus on Italy, Iberia and Latam
- **Customer centricity:** single touchpoint for B2C and SMEs; Key Account Manager for Top & Large commodities and services
- **Bundled offers** and leveraging cross sales to enhance customer experience
- **Prioritizing products** that can accelerate electrification, foster customer loyalty and increase margins
- **Optimization of processes** to boost efficiency in customer acquisition and management

Efficiency and effectiveness

The Group's strategic actions will be guided by financial balance. Between 2024 and 2026, the Group expects to increase its cash generation, with total cash flows funds from operations (FFO) equal to about €43.8 billion, which are expected to fully meet cash requirements for net investments and dividends.

Compared with the cost baseline for 2022, the Group expects to achieve an overall cost reduction of approximately €1.2 billion in 2026, of which about €1 billion in efficiency gains achieved by reorganizing business processes, rationalizing organization, optimizing mix between insourcing

and outsourcing as well as adopting standards and using better technologies to be adapted depending on the country involved. Further savings of about €0.2 billion are expected in regulated businesses.

These initiatives are also supported by the divestment plan, which has been partly redefined to focus on a portfolio rotation guided by asset value. The implementation of the divestment plan is expected to have a positive impact on net financial debt estimated at about €11.5 billion between 2023 and 2024.

Financial and environmental sustainability

The generation of cash flow, rationalization of costs and optimization of processes is expected to boost the Group's creditworthiness.

Over the next three years, the Group plans to reduce the average cost of gross borrowing by 20 basis points, despite the high interest rate environment, to about 3.8% in 2026, down from 4.0% at the end of 2023, mainly thanks to centralized refinancing.

On the environmental sustainability front, the Group intends to continue to reduce its direct and indirect green-

house gas emissions, in line with the Paris Agreement and with the 1.5 °C scenario, as certified by the Science Based Targets initiative (SBTi). Specifically, the Group confirms its objective of closing all remaining coal plants by 2027, subject to authorization from the competent authorities. As regards the conversion of coal plants, the Group will evaluate the best technologies available, based on the requirements indicated by transmission grid operators. The Group confirms its ambition to achieve zero emissions in all scopes by 2040.

Financial targets

Group ordinary EBITDA is expected to increase from €22 billion in 2023 to between €23.6 billion and €24.3 billion in 2026. Group ordinary profit is expected to increase from €6.5 billion in 2023 to between €7.1 billion and €7.3 billion in 2026.

The Group confirms its simple and attractive dividend policy with a minimum fixed DPS of €0.43 for the period 2024–2026, with a potential increase up to a payout of 70% of ordinary profit if cash neutrality is achieved. Cash neutrality is achieved if FFO fully finance the Group's net investments and dividends beyond the minimum fixed DPS.

Financial targets

	2023	2024	2026
Profit growth			
Ordinary EBITDA (€ billions)	22.0	22.1–22.8	23.6–24.3
Ordinary profit (€ billions)	6.5	6.6–6.8	7.1–7.3
Value creation			
DPS (€/share)	0.43	0.43 ⁽¹⁾	0.43 ⁽¹⁾
		Increase in DPS up to a payout of 70% ordinary profit if cash neutrality is achieved ⁽²⁾	

(1) Minimum DPS.

(2) Cash neutrality is achieved if funds from operations (FFO) fully cover Group net investment plus dividends in excess of the fixed minimum dividend.

Climate change strategy

Overall framework and policies

Climate change is the world's primary challenge of our century. In a climate such as this, and as a global player in the energy market, Enel is on the front lines playing an active role in guiding the global energy transition towards zero emissions as a mitigating lever and working to determine the best ways to adapt to the changes that are inevitable to varying degrees of frequency and intensity. Therefore, the work Enel is doing to combat climate change represents one of the pillars of the Group's short- and long-term strategy.

Mitigation efforts include all those initiatives aimed at reducing the impact that the activities of the Group and our stakeholders have on climate change, and first and foremost those that aim to reduce the emission of greenhouse gases.

Adaptations, on the other hand, include all actions that Enel implements to make assets more resilient, to increase our ability to react to extreme weather events, and to con-

ceive business models and other strategic options targeting various needs in this constantly changing climate.

In each of these two areas, the challenges present opportunities that we will seize through Group strategy. Here at Enel, adapting to climate change also means exploring new business opportunities to come out of the changing landscape, developing new technologies, and creating value from the capabilities acquired. The mitigation of climate change also involves investing in research into innovative technologies that will enable an economy that is green by design or that, for example, improve performance and circularity.

The experience we gain and our study of possible climate scenarios that have been seen above also play a crucial role in guiding both areas of action. As we will discuss in the section related to climate change risks and opportunities, the Group has also established internal policies for the assessment and management of these challenges.

Our zero-emissions ambition

Being among the first signatories of the "Business Ambition for 1.5 °C" campaign promoted by the United Nations and other organizations, the Enel Group has publicly declared its commitment to developing a business model in line with the goals of the Paris Agreement (COP 21) to limit the average global temperature increase to 1.5 °C.

Enel's commitment to combating climate change reached another historical milestone in 2022, with the Group defining a decarbonization roadmap covering both direct and indirect emissions throughout the Group's value chain. This roadmap includes four targets certified by the Science Based Targets initiative (SBTi) to be in line with limiting global warming to 1.5 °C.

Enel's new certified targets come on the back of our ambition declared in 2021, when we moved up our commitment to achieving zero emissions by 10 years, from 2050 to 2040.

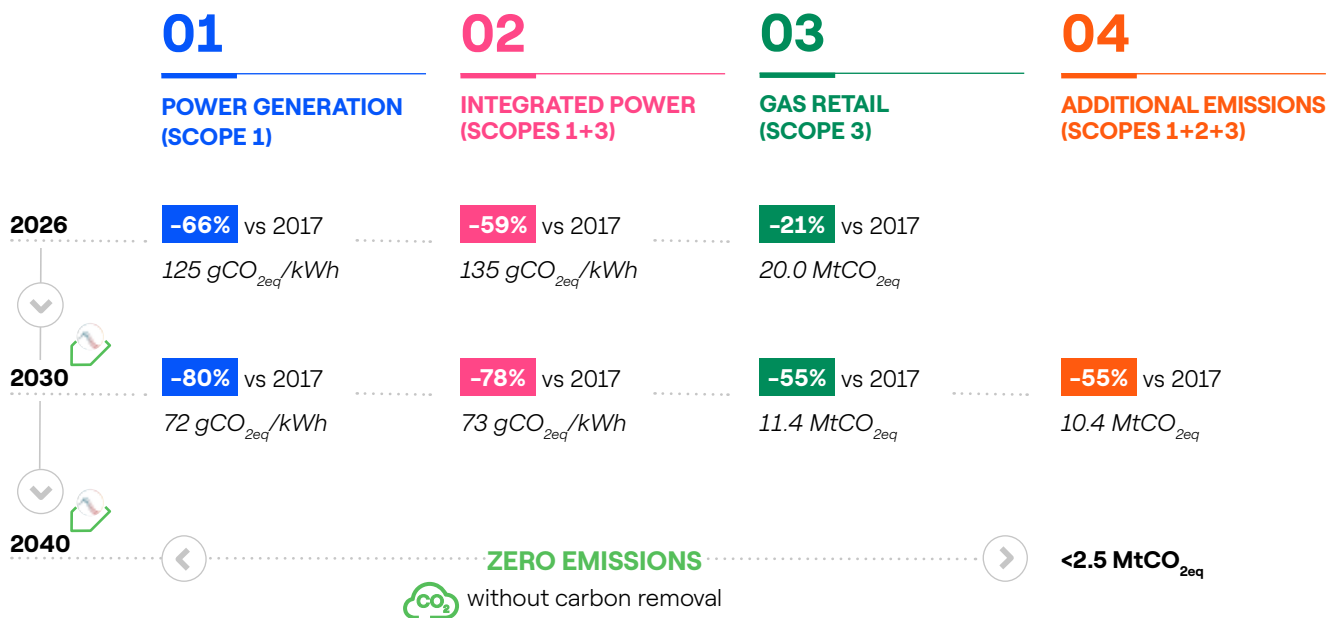
Enel's ambition goes beyond the SBTi certified targets and aims to pave the way to becoming a zero-emission organization by 2040. Our certified roadmap currently calls for reducing all direct and indirect greenhouse-gas (GHG) emissions by about 99% from 2017 levels by 2040 throughout our value chain, which is well above the overall threshold set by international standards (of 90%). The

Group also aims to reduce all emissions by 100% with a view to overcoming, over the short to medium term, all exogenous factors, such as the development of new technological solutions for the supply chain over a wide scale or the implementation of certain market-based and political strategies. Enel actively collaborates with vendors, customers and policymakers to promote solutions and accelerate necessary actions.

Enel's decarbonization roadmap is centered around promoting electrification solutions, accompanied by completing the full phase-out of fossil fuels and accelerating the development of renewables, as well as going digital and upgrading grids. Aware of the social impact that the decarbonization strategy entails, Enel supports the principles of a just transition, as defined in the Just Transition Guidelines of the International Labor Organization (ILO), which is expressed in terms of actions involving retraining, professional updating and self-learning for direct and indirect workers, providing support with a view to business diversification and greater resilience for the supply chain, job opportunities for communities in our area of influence and facilitating access to products and services for customers.

The decarbonization roadmap includes the following business milestones.

GHG EMISSIONS REDUCTION TARGETS CERTIFIED BY THE SBTi IN LINE WITH THE 1.5 °C SCENARIO



Medium- and long-term targets certified by the SBTi in December 2022 in accordance with the Net Zero Standard and aligned with the 1.5 °C scenario

- By 2026, Enel will bring renewables to around 78% of total capacity, including batteries and all managed capacity (Ownership, Partnership, Stewardship). In order to accelerate the development of renewable energy, for the period 2024–2026 the Group will invest €12.1 billion, installing 13.4 GW of new installed renewables capacity (leveraging the support of third parties) and reaching 73 GW of installed renewables capacity by 2026, with zero-emissions generation accounting for about 86% of the total (including managed generation). In addition, progress in grid digitalization will increase the share of digital customers to 71%.
- By 2027, Enel expects to complete the full phase-out of all coal-fired plants, converting the sites to other







uses, taking account of the needs of the country system.





- By 2030, continuing the investment trend already undertaken in recent years in order to continue accelerating the energy transition, Enel will achieve a renewables capacity of about 85% of the total (including managed generation), bringing the share of zero-emissions generation to about 90% (including managed generation), with 100% of grid customers being fully digital.
- By 2040, generation will be 100% renewable, and the Group will have exited both gas-fueled generation and the retail sale of gas, with 100% of the electricity sold coming from renewable sources.







OUR ZERO-EMISSIONS AMBITION





Enel is committed to achieving zero emissions by 2040 and to developing a business model that is in line with the objectives of the Paris Agreement (COP 21) to limit the average increase in global temperatures

to 1.5 °C. For this reason, the Group has developed a decarbonization roadmap that covers both direct and indirect emissions throughout the value chain. The roadmap includes four targets certified by the Science Based Targets initiative (SBTi) in December 2022 to be in line with the Net Zero Standard.

GHG TARGET		Intensity of Scope 1 GHG emissions related to power generation		
Primary business activity	Electricity generation			
Type of activity in value chain	Direct			
Stakeholders impacted or involved	<ul style="list-style-type: none">• Customers and power consumers• Society and environment			
Sources of covered GHG (GHG Protocol) ⁽¹⁾	95% of Scope 1 GHG emissions ⁽²⁾			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	125 gCO _{2eq} /kWh	72 gCO _{2eq} /kWh	0 gCO _{2eq} /kWh Zero emissions	
% reduction on 2017 (SBTi baseline)	-66%	-80%	-100%	
% reduction on 2023 (reporting year)	-22%	-55%	-100%	
Climate scenario	 1.5 °C ⁽³⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none">• Gradual phase out of coal-fired capacity in 2024–2026, with planned closure of the Federico II and Torrealvaldaga Nord plants in Italy (with a total capacity of about 3.6 GW).• Invest €12.1 billion to accelerate the development of renewable energy by installing 13.4 GW of new renewables capacity (about 11.3 GW of which at the consolidated level) in 2024–2026, reaching 73 GW of renewables capacity (including BESS) by 2026.• Continue the process of decarbonizing electricity generation, with the proportion of renewables plants in the Enel asset portfolio reaching 78% in 2026, with zero-emissions generation amounting to 86% of the total, including consolidated and managed generation.• No use of carbon-removal technologies to achieve the target.			
	<ul style="list-style-type: none">• Continue the process of decarbonizing electricity generation, with Group investments raising the proportion of renewables plants in the asset portfolio to about 85% in 2030, with zero-emissions generation amounting to 90% of the total, including consolidated and managed generation.• Exit from coal-fired generation, which is expected to take place by 2027 globally.• No use of carbon-removal technologies to achieve the target.			
	<ul style="list-style-type: none">• Exit from the thermal electricity generation business, achieving a 100% renewable energy mix.• No use of carbon-removal technologies to achieve the target.			
Results and main actions in 2023	<p>KPI achievement in 2023: 160 gCO_{2eq}/kWh</p> <ul style="list-style-type: none">• About €5.9 billion invested in renewables in 2023.• New consolidated renewables capacity installed equal to 4 GW in 2023, bringing total consolidated capacity to 55.5 GW in 2023.• Increase in consolidated renewables generation equal to 13% on 2022, representing 61% of total consolidated generation in 2023.• Reduction of thermal capacity by about 5.1 GW on 2022, including the closure of two coal-fired plants (for a total of about 2 GW) and the sale of gas plants in Argentina (for a total of about 3 GW) and Colombia (for a total of about 0.2 GW).• Reduction of thermal generation by 38% on 2022 (specifically, with a 45% reduction in coal-fired generation), representing 27% of total generation in 2023.			

GHG TARGET		Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power		
Primary business activity	Sale of electricity			
Type of activity in value chain	<ul style="list-style-type: none">• Direct (electricity generation)• Upstream in value chain (purchase of electricity from other generators for sale to end users)			
Stakeholders impacted or involved	<ul style="list-style-type: none">• Customers and power consumers• Electricity generators (peers)• Society and environment			
Sources of covered GHG (GHG Protocol) ⁽¹⁾	<ul style="list-style-type: none">• 95% of Scope 1 GHG emissions• 42% of Scope 3 GHG emissions (corresponding to 78% of Scope 3 GHG emissions – category 3)			
Time frame				
GHG target	135 gCO _{2eq} /kWh	73 gCO _{2eq} /kWh	0 gCO _{2eq} /kWh Zero emissions	
% reduction on 2017 (SBTi baseline)	-59%	-78%	-100%	
% reduction on 2023 (reporting year)	-20%	-57%	-100%	
Climate scenario	 1.5 °C ⁽³⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none">• Increase the percentage of renewable energy sold to customers, while increasing the Group's renewables production and optimizing customer portfolio, continuing supply and demand balancing strategy.• In Europe, increase the share of fixed-price energy sales to end users covered by zero-emissions sources from about 65% in 2023 to more than 80% in 2026.• In Latin America, maintain 100% zero-emissions sales to end users (including through PPAs).• In North America, maintain 100% zero-emissions sales to end users.• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation from 75% in 2023 (including managed capacity) to 86% of total in 2026, including consolidated and managed capacity.• No use of carbon-removal technologies to achieve the target.• Continue the strategy of balancing supply and demand and increase the share of electricity sold at a fixed price covered by carbon-free generation.• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation to about 90% of the total in 2030.• No use of carbon-removal technologies to achieve the target.• By 2040, achieve 100% of electricity sales covered by renewables.• No use of carbon-removal technologies to achieve the target.			
Results and main actions in 2023	<p>KPI achievement in 2023: 168 gCO_{2eq}/kWh</p> <ul style="list-style-type: none">• 13% increase in Group consolidated renewables generation in 2023 on 2022.• 7% reduction in 2023 compared with 2022 in the gap between sale of electricity to end users and own generation in the countries in which the Group has an integrated position.			

GHG TARGET		Scope 3 GHG emissions related to the sale of natural gas on end-user market		
Primary business activity	Sale of gas to end users			
Type of activity in value chain	• Downstream in value chain			
Stakeholders impacted or involved	• Gas customers • Society and environment			
Sources of covered GHG (GHG Protocol) ⁽¹⁾	• 30% of Scope 3 GHG emissions (corresponding to 100% of Scope 3 GHG emissions – category 11)			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	20.0 MtCO _{2eq}	11.4 MtCO _{2eq}	0 MtCO _{2eq} Zero emissions	
% reduction on 2017 (SBTi baseline)	-21%	-55%	-100%	
% reduction on 2023 (reporting year)	– ⁽⁴⁾	-32%	-100%	
Climate scenario	 n.a. ⁽⁵⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<div>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) from 2.65 MWh in 2023 to about 2.9 MWh in 2026, thereby increasing the electrification rate of customers.</div> <div>• Allocate 32% of investment in grids in 2024–2026 to connections, partly with a view to enabling the expansion of distributed generation, thereby promoting the electrification of end users’ energy consumption. The number of connections to distributed generation is forecast to double in the period, reaching 4 million in 2026.</div> <div>• Reduce the volumes of gas sold to customers to around 8.4 billion cubic meters in 2026.</div> <div>• No use of carbon-removal technologies to achieve the target.</div> <div>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) to about 3.5 MWh in 2030, thereby increasing the electrification rate of customers.</div> <div>• Continue to invest in distribution grids, supporting the growth of distributed generation, thereby promoting the electrification of end users’ energy consumption, reaching 6 million connections to distributed generation in 2030.</div> <div>• Optimize the customer gas portfolio (industrial customers in particular), continuing to reduce the volume of gas sold to about 5.3 billion cubic meters in 2030.</div> <div>• No use of carbon-removal technologies to achieve the target.</div> <div>• By 2040, achieve 100% of energy sales covered by renewables.</div> <div>• Exit retail gas sales business by 2040.</div> <div>• No use of carbon-removal technologies to achieve the target.</div>			
Results and main actions in 2023	<div>KPI achievement in 2023: 16.8 MtCO_{2eq}</div> <div>• 6.2 million gas customers in 2023, down 6% on 2022.</div> <div>• Gas sales in 2023 equal to 8.3 billion cubic meters, down 19% on 2022.</div> <div>• 3.6 million new connections in 2023.</div>			

GHG TARGET		Additional emissions Scopes 1–2–3	
Primary business activity	<ul style="list-style-type: none">Electricity distribution (Scopes 1 and 2)Management of vehicle fleet, buildings and other assets (Scopes 1 and 2)Management of supply chain (Scope 3)Purchase of fuels (Scope 3)		
Type of activity in value chain	<ul style="list-style-type: none">Direct (electricity distribution and management of vehicle fleet, buildings and other Group assets)Upstream in value chain (supply chain for products and services and fuel business)		
Stakeholders impacted or involved	<ul style="list-style-type: none">Customers and power consumersElectricity generators (peers)Suppliers of goods and servicesOil&gas suppliersSociety and environment		
Sources of covered GHG (GHG Protocol) ⁽¹⁾	<ul style="list-style-type: none">0.5% of Scope 1 GHG emissions100% of Scope 2 GHG emissionsTarget 2030⁽⁶⁾: 15% of Scope 3 GHG emissions (corresponding to 17% of Scope 3 emissions – category 1 and 22% of Scope 3 emissions – category 3)Target 2040⁽⁶⁾: 18% of Scope 3 GHG emissions (corresponding to 35% of Scope 3 emissions – category 1 and 22% of Scope 3 emissions – category 3)		
Time frame	 Medium term (2030)	 Long term (2040)	
GHG target	10.4 MtCO _{2eq}	<2.5 MtCO _{2eq} Net zero emissions	
% reduction on 2017 (SBTi baseline)	-55%	-90%	
% reduction on 2023 (reporting year)	-12%	-83%	
Climate scenario	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none">Invest a total of €18.6 billion in grids over the 2024–2026 period, of which 50% to improve grid resilience, quality and digitalization, thereby helping to reduce grid losses and related greenhouse gas emissions. Replace existing distribution grid infrastructure components with SF₆-free solutions.Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with our suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.Phase out coal-fired generation by 2027, mitigating all GHG emissions related to coal supply.No use of carbon-removal technologies to achieve the target.		
	<ul style="list-style-type: none">Promote grid digitalization and replace existing distribution grid infrastructure components with SF₆-free solutions.Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with our suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.Eliminate emissions connected with gas extraction activities, as the Group has fully exited gas-fired generation and sale of gas to end users.Neutralize the residual amount through carbon-removal actions (purchase of certificates linked to nature-based or technology-based projects in voluntary carbon markets, in accordance with international standards) if complete mitigation of emissions is not feasible due to exogenous factors (technological, market or regulatory).		
KPI achievement in 2023: 11.9 MtCO _{2eq} (for 2017–2030 target scope) and 13.5 MtCO _{2eq} (for 2017–2040 target scope) ⁽⁶⁾			
Results and main actions in 2023	<ul style="list-style-type: none">€5.4 billion invested in the grid in 2023.43% reduction in coal burned in thermal generation plants.41% reduction in volume of gas burned in thermal generation plants compared with 2022 (due also to the sale of gas plants in Russia and Argentina), and 19% reduction in volume of gas sold to end users compared with 2022.8% reduction in electricity consumption in Group generation plants and buildings.24% reduction in emissions intensity (tCO_{2eq}/€mn) in supply chain in 2023 compared with 2022, reaching 684 tCO_{2eq}/€mn.		

TOTAL COVERAGE OF SCOPES 1-2-3 EMISSIONS IN 2023

- **95.5%** of Scope 1 GHG emissions (2026, 2030 and 2040 targets)
- **100%** of Scope 2 GHG emissions (2030 and 2040 targets)
- **87%** (2017-2030 target) and **90%** (2017-2040 target) of Scope 3 GHG emissions⁽⁶⁾

- (1) Percentages based on total GHG emissions in 2023.
- (2) Excludes marginal Scope 1 GHG emissions not directly related to the combustion of fossil fuels in electricity generation at thermal plants. These emissions also include the use of ancillary services in distribution operations. In particular, in 2023 there was an extraordinarily high use of these services in Brazil to deal with the meteorological emergency that occurred in São Paulo in November 2023, which caused the interruption of grid operations. In any event, 95.8% of Scope 1 and Scope 2 GHG emissions are covered by all of the above targets, greater than the 95% threshold required under the Science Based Targets initiative and the GHG Protocol.
- (3) The target is in line with the path to 1.5 °C set by the SBTi for the electrical services industry (Sectoral Decarbonization Approach, or SDA), although it could not be officially validated because the SBTi does not certify targets over a time frame of less than five years from the presentation date.
- (4) In 2023, gas sales decreased considerably compared with previous years. Furthermore, a methodological change in the use of conversion factors has been implemented. These two factors produced a value below the target expected for 2026.
- (5) The target could not be officially validated because the SBTi does not certify targets over a time frame of less than five years from the presentation date. In addition, the SBTi has not defined a sectoral decarbonization approach for these types of emissions, so the ambition level cannot be verified.
- (6) Two different percentage limits have been set for the target for Scope 3 GHG emissions by the supply chain, as allowed under the SBTi approach, which required coverage of at least 67% of Scope 3 emissions for the 2030 target, and at least 90% for the 2040 target.

Adaptation: resiliency and response to climate change and new options for the Group (Climate Adaptation Model)

The Group implements solutions to adapt to weather and climate events in order to effectively manage both chronic and acute situations for each business line and activity. These adaptation solutions may concern both short-term actions and long-term decisions, such as planning for investments in response to weather events. Adaptation efforts also include procedures, policies and best practices for resiliency, response and innovation.

For new investment, we can also take action right from the design and construction phases to reduce the impact of climate risks by design (e.g., by assessing risks and vulnerabilities during the design stage) and to take account of any chronic effects (e.g., including climate scenarios in long-term estimates for renewable resources).

Once the weather and climate events have been identified, actions to maximize our capacity for adaptation may be categorized as follows.

- **Response management** – Procedures to prepare the response to extreme events (e.g., acquiring short-term weather forecasts and training) and procedures to re-

store normal operations as quickly as possible (e.g., defining operating and organizational procedures to implement in response to critical events).

- **Resiliency measures** – Actions aimed at increasing asset resiliency, such as assessing the entity of potential acute and chronic risks in order to define both design requirements and actions to take with regard to existing assets.
- **New business options** – Conception of new businesses or products that are adapted to future changes in climate, so as to facilitate adaptation for both the Group and our communities and stakeholders.

In order to assess the impact of climate change for the purpose of making business and strategy decisions, and thereby aimed at implementing adaptation measures in line with the above, the Group is investing in the development of quantitative models that also make use of climate scenario data in order to assess the impact of climate change on specific assets or areas of production.

Assessment of the risks and opportunities connected with the Strategic Plan

The Group Strategic Plan is accompanied by a careful analysis of the risks and opportunities connected with those strategies.

Identifying those risks and opportunities within the Enel Group's strategic and industrial planning process is designed to improve the Group's risk/return profile.

Although the strategy underlying the Plan, as described above, envisages a phase of careful analysis and verification of the strategic risk factors and variables, it retains scenario assumptions regarding future events that will not necessarily occur or not occur to the extent assumed, as they depend on variables that cannot be controlled by management. Upside and downside developments may occur as time unfolds.

Before being able to approve the Strategic Plan, a quantitative analysis of the risks and opportunities associated with the Group's strategic positioning is presented annually to the Control and Risk Committee appointed by the Board of Directors. In particular, risk factors such as macroeconomic and energy variables (such as exchange rates, inflation, commodity prices and electricity demand), regulatory developments, weather and climate events and risks connected with the strategy are identified.

Based on the nature of the risk and opportunity drivers, the analytical approach that best represents their volatility is selected. In particular, we perform a deterministic analy-

sis based on what-ifs of the possible evolution of the main market and business variables with respect to the main risk factors for the execution of the Business Plan and a probabilistic analysis to assess the variability of renewable resources.

Focusing on the scenario risk analysis for the Strategic Plan, exchange rates, electricity demand and the volatility of energy and commodity prices, together with possible reviews of regulatory frameworks and possible changes in commercial and sourcing strategies, represent almost all the volatility of the drivers. In particular, in addition to the US dollar the most impacting currencies are the Chilean peso, the Colombian peso and the Brazilian real. Italy and Spain represent nearly all of the Group's exposure to the impact of the volatility of energy prices and commodity price fluctuations on margins.

Examining the other risk factors, such as those connected with weather and climate events, we can see that geographical diversification significantly reduces the exposure to the risk associated with renewable resources – a highly positive factor considering the Group's positioning and the steady expansion of renewable generation. Furthermore, with regard to climate change, the risk associated with chronic effects is of little significance over the course of the three years of the Plan.

RISK MANAGEMENT

The Enel Group risk governance model

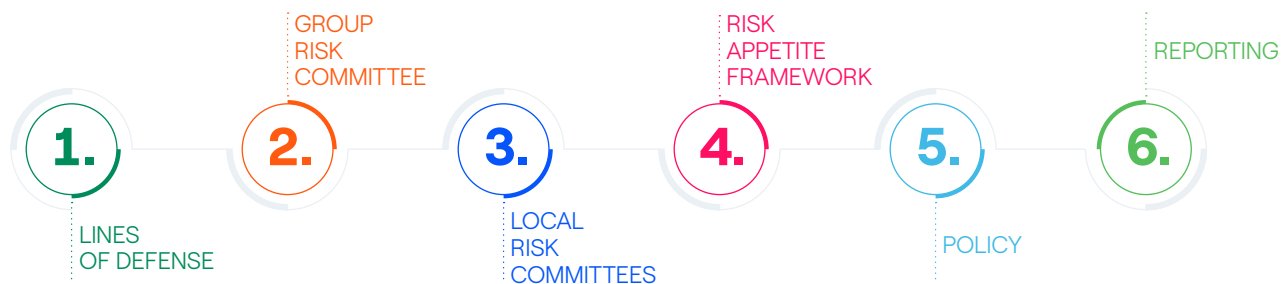
In performing its industrial and commercial activities, the Enel Group is exposed to risks that could impact its performance and financial position if not effectively monitored, managed and mitigated. In this regard, in line with the architecture of Enel's internal

control and risk management system (ICRMS), the Group has also adopted a risk governance model based on a number of "pillars" described below, as well as a uniform taxonomy of risks (the "risk catalogue") that facilitates their management and organic representation.

The "pillars" of risk governance

Enel has adopted a reference framework for risk governance that is implemented in the real world through the establishment of specific management, monitoring, control and reporting controls for each of the risk categories identified.

The Group's risk governance model is in line with the best national and international risk management practices and is based on the following pillars:



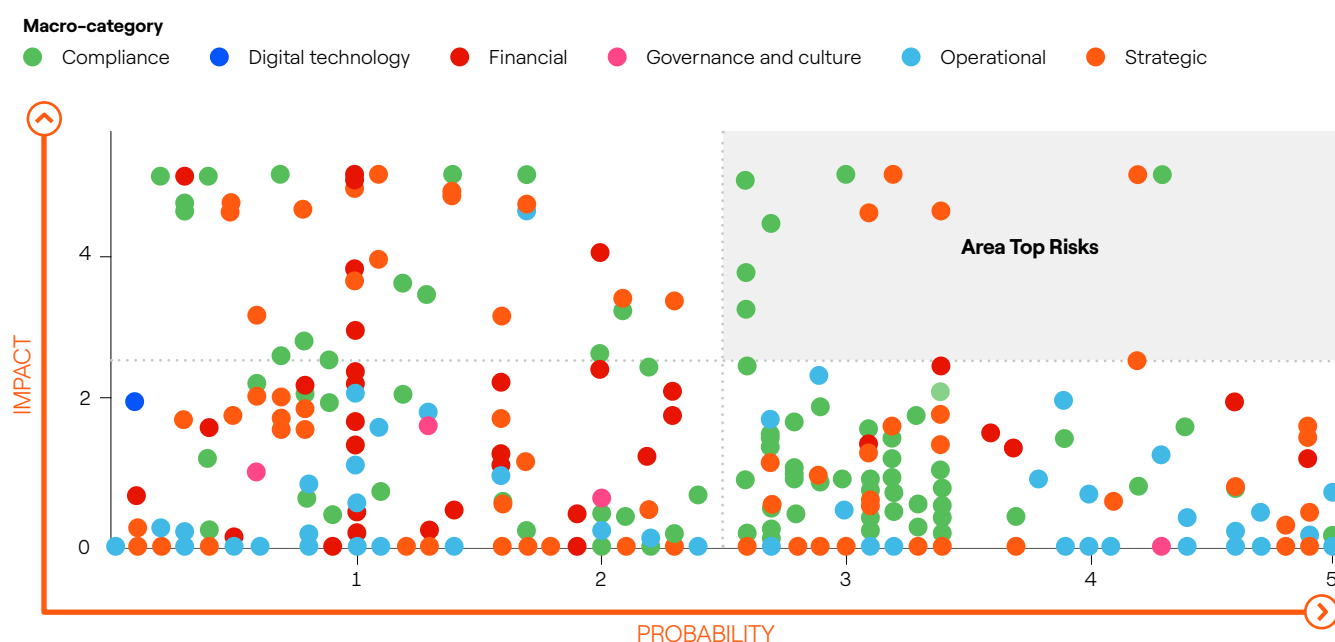
- **Lines of defense.** The Group's arrangements are structured along three lines of defense for risk management, monitoring and control activities, in compliance with the principle of segregating roles in the main areas in respect of significant risks.
- **Group Risk Committee.** This body, set up at management level and chaired by the Chief Executive Officer, is responsible for strategic guidance and risk management supervision through:
 - analysis of the main exposures and the main risk issues faced by the Group;
 - adoption of specific risk policies applicable to Group companies, in order to identify roles and responsibilities in risk management, monitoring and control processes, in compliance with the principle of organizational separation between the units responsible for operations and those responsible for monitoring and controlling risks;
- **Approval of specific operating limits, authorizing, where necessary and appropriate, exceptions to these limits for specific circumstances or needs;**
- **definition of risk response strategies.** The Group Risk Committee generally meets four times a year and can also be convened, where deemed necessary, by the Chief Executive Officer and the head of the "Risk Control" unit, which forms part of the "Administration, Finance and Control" Function.
- **Integrated and widespread system of local risk committees.** The presence of specific local risk committees, organized in accordance with the main global business lines and geographical areas of Group operations and chaired by their respective top managers, provides adequate oversight of the most characteristic risks at the local level. The coordination of these committees with the Group Risk Committee facilitates appropriate agreement with Group top management of the information

and mitigation strategies for the most significant exposures, as well as local implementation of the guidelines and strategies defined at Group level.

- **Risk Appetite Framework (RAF).** The Risk Appetite Framework constitutes the reference framework for determining risk appetite and is an integrated and formalized system of elements that enable the definition and application of a single approach to the management, measurement and control of each risk. The RAF is summarized in the Risk Appetite Statement, a document that summarily describes the risk strategies identified and the indicators and/or limits applicable to each risk.
- **Risk policies.** The allocation of responsibilities, coordination mechanisms and the main control activities are represented in specific policies and organizational documents defined in accordance with specific approval procedures involving the corporate structures directly involved.
- **Reporting.** Specific and regular information flows on risk exposures and metrics, broken down at Group level and by individual global business line or geographical area, allow Enel's top management and corporate bodies to have an integrated view of the Group's main risk exposures, both current and prospective.

- **Risk Landscape Enel Group®.** Acting on the basis of its risk governance arrangements and on the international risk management standard ISO 31000:2018, the Group constantly monitors risks using a process supported by a data visualization tool (e-Risk Landscape®). This system collects and organizes information coming from the different geographical areas and business lines of the Group, categorizing them in accordance with the definition in the Group's risk catalogue. The monitoring and control process involves the assignment of metrics based on the risk events' probability of occurrence (likelihood) and the scale of potential economic-financial impact, providing the Group's top management with a dynamically updated view of the Group's risk profile and the associated management and mitigation actions. These dimensions, modulated through representative grids, provide an indication of the level of individual risks.

At December 31, 2023, the Enel Group monitored a set of about 300 risks, 11 of which were identified as Top Risks (with an above average likelihood and significant potential financial impacts), mainly identified as regulatory and legal/tax risks and/or uncertainties.

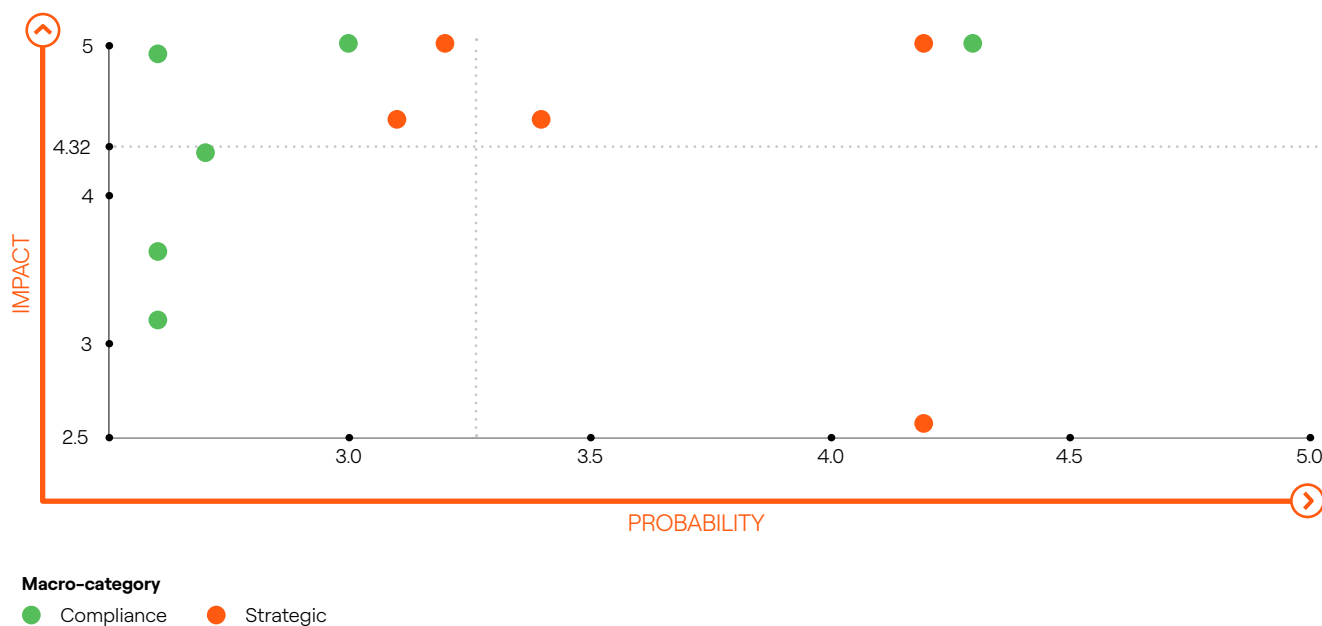


The Enel Group Risk Landscape® enables the selection and visualization of medium-to-high risks (i.e. excluding highly unlikely and/or low impact events). It is also possible to make a multidirectional selection:

- by category;
- by country/legal entity;
- by business line.

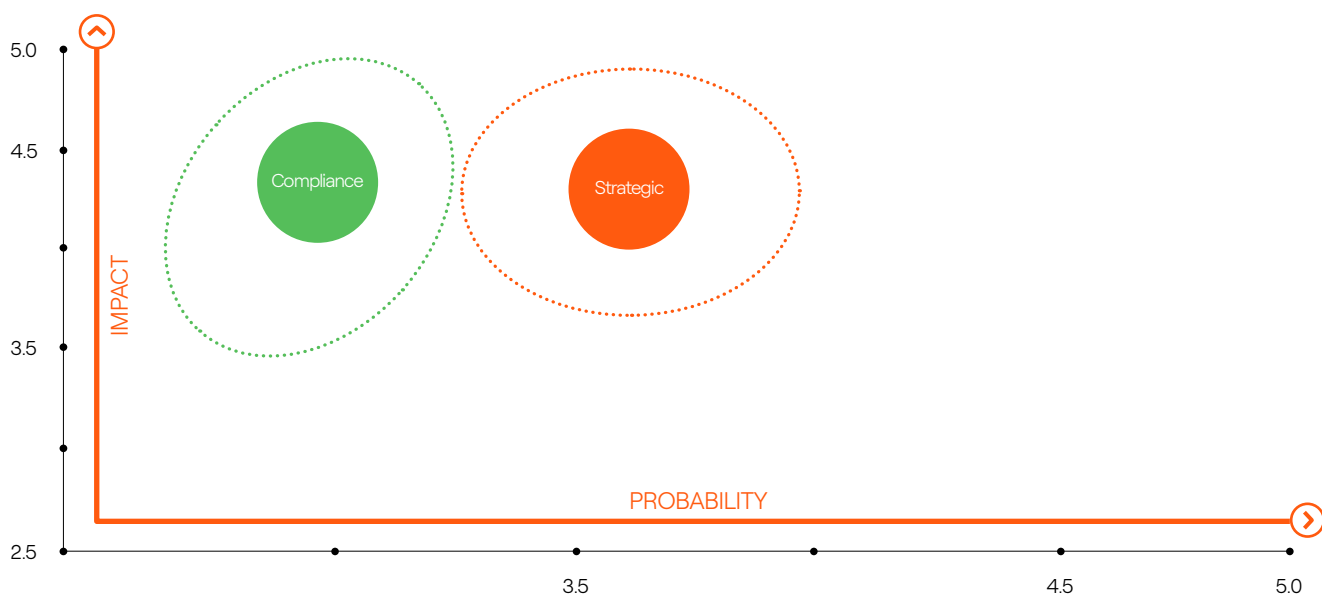
With regard to the Top Risks identified and examined for the Plan period, we find the greater concentration of strategic risks, in particular legislative-regulatory risks (5) in Italy (3) and Spain (2), deriving from exposures to rate revisions, the renewal of concessions and recognition in

profitability parameters. As regards the section linked to compliance risks (6), we find a concentration mainly linked to tax risks in Brazil (4) and Italy (1) and legal risks in the United States (1).



The following graphic offers an example of the variability of the main risk clusters in terms of both probability and potential impact in the Top Risk categories. These ranges of variation are representative of the timeline with which

the individual risk driver is examined (for example, for a possible evolution of the regulatory framework and ongoing mitigation actions) and the heterogeneity of the type of risks belonging to the same cluster.










The Group risk catalogue

















Enel has adopted a risk catalogue that represents a point of reference at the Group level and for all corporate units involved in risk management and monitoring processes. The adoption of a common language facilitates the mapping and comprehensive representation of risks within the Group, thus facilitating the identification of the main types












of risk that impact Group processes and the roles of the organizational units involved in their management. The risk catalogue groups the types of risk into macro-categories, which include, as shown below, strategic, financial and operational risks, (non)-compliance risks, risks related to governance and culture as well as digital technology.












The following table shows the list of risks currently identified and classified within the aforementioned macro-categories.

CATEGORY	RISK	DEFINITION
 STRATEGIC	 Climate changes	Risk of ineffective identification, assessment and management of risks related to climate changes – caused by acute and chronic events (physical risks) and by effects of regulatory, technology and market trends arising from the transition to a lower-carbon economy (transition risks) – through strategic and operating initiatives of adaptation and mitigation of climate risks.
	 Competitive landscape	Risk of ineffective identification, assessment and monitoring of evolutionary market trends that may impact Group competitive positioning, growth and profitability.
	 Innovation	Risk of ineffective development, delivery and diffusion of innovative solutions caused by technology scouting inadequacy and wrong or incomplete analysis over uncertainty, complexity, sustainability, feasibility degree, market expectations, internal skills or financial commitment of innovative projects.
	 Legislative and regulatory development	Risk of adverse evolution of legislative or regulatory landscape, and/or ineffective identification, assessment, management and monitoring of legislative/regulatory evolutions, communication of new compliance duties, execution of advocacy activities and internal gap analysis. Lack of a systematic assessment process on regulatory exposures coming from new strategic and business initiatives.
	 Macroeconomic and geopolitical trends	Risk of ineffective identification, assessment and monitoring of global economic, financial, political and social trends and monetary, fiscal and trade policies evolutions.
	 Strategic planning and capital allocation	Risk of ineffective strategic planning and capital allocation processes, caused by unreliable scenario assumptions and inability to capture emerging trends or to timely address relevant changes, that may adversely influence decision-making process.

CATEGORY	RISK	DEFINITION
 GOVERNANCE AND CULTURE	 Corporate culture and ethics	Risk of (i) inadequate integration, within business processes and activities, of the ethical principles defined by the Group, (ii) inability to put in place policies and processes to ensure the respect of diversity and equal opportunity principles and (iii) unsanctioned behaviors of employees and management, in breach with ethical values of the Group.
	 Corporate governance	Risk of ineffective corporate governance frameworks/rules and/or lack of integrity and transparency within decision-making processes.
	 Stakeholder engagement	Risk to ineffectively engage key stakeholders on Enel's strategic positioning on sustainability and financial goals due to a lack of understanding, anticipating or orienting their expectations, which might cause an incomplete integration of such expectations into Group's business strategy and sustainability planning processes, with a potential negative impact on its reputation and competitiveness.
 DIGITAL TECHNOLOGY	 Cyber security	Risk of cyber-attacks and sensitive or massive corporate and customers data stealing, ascribable to a lack of security of networks, operating systems and databases.
	 Digitalization	Risk of managing ineffective business processes and supporting higher operating costs due to a lack of digitalization in terms of workflows coverage, systems integration and adoption of new technologies.
	 IT effectiveness	Risk of ineffective support of IT systems to business processes and operating activities.
	 Service continuity	Risk of exposure of IT/OT systems to service interruptions and data losses.
 FINANCIAL	 Capital structure adequacy and funding access	Risk that company and/or Group debt/equity ratio or the mix between long- and short-term debt may not be adequate to (i) support financial flexibility, (ii) enable free access to a wide range of funding sources and (iii) achieve cost of debt targets.
	 Commodity	Risk of (i) adverse commodity market trends and/or prices volatility movements (price risk) and/or (ii) lack of demand or availability of commodities, natural resources and raw materials (volume risk).
	 Credit and counterparty	Risk of (i) counterparty's inability to meet payment or delivery contractual obligations, (ii) credit deterioration or default of a counterparty, (iii) significant exposure to a single counterparty (single name concentration) or (iv) to counterparties operating in the same sector or belonging to the same geographical area (sectorial/geographical concentration).
	 Foreign exchange rate	Risk of adverse variations in exchange rates, negatively affecting: (i) costs and revenue denominated in foreign currencies with respect to the time at which price conditions were defined or the investment decision was made (economic risk); (ii) revaluations or fair value adjustments of exchange rate-sensitive financial assets and liabilities (transaction risk); (iii) the consolidation of subsidiaries having different accounting currencies (translation risk).
	 Interest rate	Risk of adverse fluctuations in interest rates impacting on net financial expense as well as on fair value adjustments of sensitive financial assets and liabilities.
	 Liquidity	Risk of incurring into difficulties to meet short-term financial needs as a result of inability or higher costs incurred in (i) raising short-term funds (funding liquidity risk) or (ii) liquidating assets on financial markets (asset liquidity risk).

CATEGORY	RISK	DEFINITION
 OPERATIONAL	 Asset protection	Risk of financial or reputational losses due to unauthorized access, theft, misappropriation or mismanagement of equipment, plants, strategic information or other physical or intangible assets. Risk of financial or reputational losses due to ineffective safeguarding activity (i.e. insurance and legal activities) of Group financial assets.
	 Business interruption	Risk of partial or total interruption of business operations arising from technical failures, assets and plants malfunctions, human errors, sabotages, raw materials unavailability or adverse weather events.
	 Customer needs and satisfaction	Risk of failure of Group's products and services in achieving customers' expectations and needs in terms of quality, accessibility, sustainability and innovation.
	 Environment	Risk that inappropriate working operations or machineries may adversely impact on the environment quality and ecosystems involved. Risk of a breach in complying with international, country or local environmental laws and regulations.
	 Health and safety	Risk that inappropriate working environments, structures, machineries and business operations may negatively impact on health & safety conditions of employees and other stakeholders involved. Risk of a breach in complying with international, country or local laws and regulations on health and safety.
	 Intellectual property	Risk of Group's intellectual property infringements or frauds.
	 People and organization	Risk of inadequacy of Group's organizational structures or lack of internal skills caused by the absence or inadequacy of training programs, ineffectiveness of incentive schemes, inadequate turnover planning process or inability to define effective employees recruiting processes and retention policies.
	 Process efficiency	Risk of incurring higher operating costs or delays as well as reduced revenue streams due to an inadequate management of operating processes and activities, a lack of data quality, incomplete or ineffective monitoring over internal performances and internal reporting.
	 Procurement, logistics and supply chain	Risk of ineffective procurement or contract management activities, due to inadequate requirements definition or supplier qualification process, a frequent recourse to direct awarding, scouting activities shortcomings, poor monitoring over the fulfillment of contractual duties, non-application of penalties.
	 Service quality management	Risk of third-party/internal service providers inability to meet the agreed required levels of service.

CATEGORY	RISK	DEFINITION
 COMPLIANCE	 Accounting compliance	Risk of a breach of international and national accounting laws and regulations or incorrect application and/or interpretation of international accounting standards adopted by the Group (IFRS-EU) and national accounting standards (local GAAP).
	 Antitrust compliance and consumers' rights	Risk of a breach of antitrust and consumer rights laws and regulations.
	 Corruption	Risk of willful misconduct or bribery carried out by persons inside or outside the Group in order to obtain an unfair or illicit advantage.
	 Data protection	Risk of a breach of applicable data protection and privacy laws.
	 External disclosure	Risk of dissemination of reports, accounting documents, communications or other notices with wrong, inaccurate or incomplete information.
	 Financial regulation compliance	Risk of a breach of international or national financial laws and regulations.
	 Tax compliance	Risk of a breach in complying with international or national fiscal laws and regulations.
	 Compliance with other laws and regulations	Risk of a breach of international, national or local laws and regulations not already specified in the other risk categories (e.g., in electricity markets, distribution, generation, procurement, permitting, stock exchanges).

Strategic risks

This section provides disclosure on the following strategic risks:



- Legislative and regulatory developments
- Macroeconomic and geopolitical trends
- Risks and strategic opportunities associated with climate change
- Competitive environment

Legislative and regulatory developments

The Group operates in regulated markets and changes in the operating rules of the various systems, as well as the prescriptions and obligations characterizing them, impact the operations and performance of the Group.

Accordingly, Enel closely monitors legislative and regulatory developments, such as:

- periodic revisions of regulation in the distribution segment;
- the liberalization of electricity markets, with special attention being paid to the acceleration provided for in Italy and expected developments in South America;

- developments in capacity payment mechanisms in the generation segment;
- regulatory measures to shield users from impact of price developments.

In order to manage the risks associated with these developments, Enel has intensified its relationships with local governance and regulatory bodies, adopting a transparent, collaborative and proactive approach in addressing and eliminating sources of instability in the legislative and regulatory framework.

Macroeconomic and geopolitical trends

The considerable internationalization of the Group – which has a presence in many regions, including Europe, South America, North America and Africa – requires Enel to consider country risk, i.e. risks of a macroeconomic, financial, institutional or social nature and those specifically associated with the energy sector whose occurrence could have a significant adverse impact on both revenue flows and the value of corporate assets. Enel has adopted a quantitative Open Country Risk assessment model capable of moni-

toring the riskiness of the countries in which it operates. The Open Country Risk model seeks to go beyond the more conventional definition of country risk, which focuses on the ability of a government to repay the debt it has issued, to offer a broader view of the risk factors that can impact a country. The model is divided into four risk components: economic, institutional and political, social, and energy factors.



ECONOMIC FACTORS



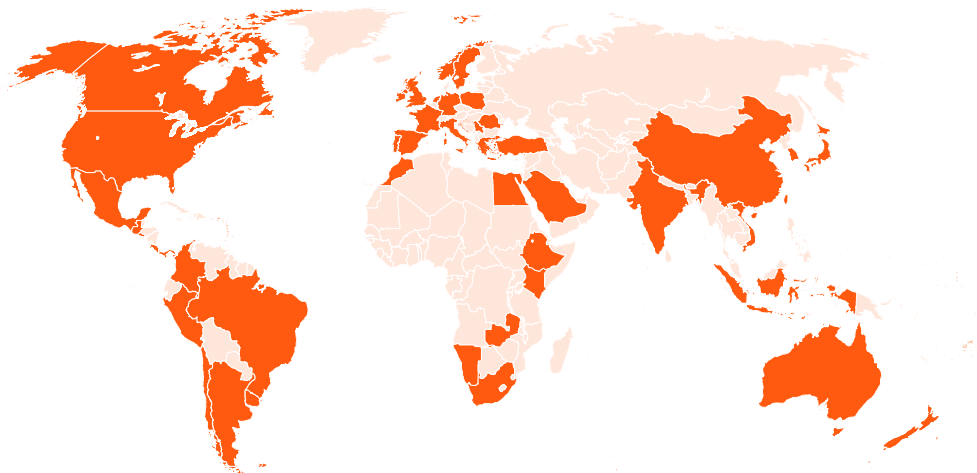
INSTITUTIONAL AND POLITICAL FACTORS



SOCIAL FACTORS



ENERGY FACTORS



Open Country Risk is a quantitative model that extends the more conventional definition of country risk used in the existing literature by providing a more complete analysis of the risks involved, incorporating economic, financial, political, climate and energy factors.

More specifically, the Open Country Risk model has the ambition to measure the economic resilience of individual countries, defined as the balance of their position with respect to the rest of the world, the effectiveness of internal policies, the vulnerabilities of their banking and corporate system that might portend systemic crises and their attractiveness in terms of economic growth, and finally a quantification of extreme climate events as a cause of stress at the environmental and economic level (economic factors). This is accompanied by an assessment of the robustness of the country's institutions and political context (institutional and political factors), an in-depth analysis of social phenomena, measuring the level of well-being, inclusion and social progress (social factors), and the effectiveness of the energy system and its positioning within the energy transition process, as these are all essential factors for evaluating the sustainability of investments in the medium to long term (energy factors).

Specifically, the introduction of extreme climate events within the Open Country Risk model makes it possible to develop a uniform assessment on the evolution of certain climate hazards at the country level on a global scale. Finally, with regard to the analysis of the energy transition process, the Open Country Risk model also includes risk and opportunity analyses designed for forecasting purposes, quantifying the actions and the paths taken by the individual countries. For example, the model incorporates various factors reflecting the weight of renewable sources in energy generation, the electrification process and the environmental sustainability of the national energy system, which together are crucial characteristics for evaluating the country's potential growth and attractiveness in the medium to long term.

Risks and strategic opportunities associated with climate change

The identification and management of risks connected with climate change and actions to seize opportunities

As discussed in previous sections, the energy transition and climate change will impact Group activities in a variety of ways.

In order to identify the main types of risk and opportunity and their impact on the business associated with them in a structured manner consistent with the most recent climate-change reporting standards, we have adopted a framework that explicitly represents the main relationships between scenario variables and types of risk and opportunity for Group operations, specifying the strategic and operational approaches to managing them, comprising mitigation and adaptation measures.

There are two main macro-categories of risks/opportunities: those linked to the evolution of the transition scenarios and those connected with developments in physical variables. The framework has been created with a view to ensuring overall consistency, making it possible to analyze and evaluate the impact of transition phenomena (e.g., energy context) and physical phenomena (e.g., climate change) within solid alternative scenarios, constructed using a quantitative and modeling approach combined with ongoing dialogue with both internal stakeholders and external authorities.

The energy transition presents risks and opportunities connected both with changes in the regulatory and legal context and trends in technology development and competition, electrification and customer behavior and the consequent market developments.

Physical risks are divided in turn between acute (i.e. extreme events) and chronic, with the former linked to extremely intense meteorological conditions and the latter to more gradual but structural changes in climate conditions.

Extreme events expose the Group to the risk of prolonged unavailability of assets and infrastructure, the cost of restoring service, customer disruptions and so on. Chronic changes in climate conditions expose the Group to other risks or opportunities: for example, structural changes in temperature could cause changes in electricity demand and have an impact on output, while alterations in rainfall or wind conditions could impact the Group's business by increasing or decreasing potential electricity generation. In general, adapting to the probable changes that will occur in the future also drives activities in the field of innovation and strategic positioning: new businesses and better products could be found to live sustainably in the changed context.

The Enel Group is contributing to realizing the transition and the opportunities that may arise. As discussed previously, our strategic choices, which are already strongly oriented towards the energy transition, with more than 90% of investments directed at improving a number of the Sustainable Development Goals, enable us to incorporate risk mitigation and opportunity maximization "by design", adopting a positioning that takes account of the medium- and long-term phenomena we have identified. The strategic choices are accompanied by the operating best practices adopted by the Group.

Framework of main risks and opportunities

Scenario phenomena	Time horizon	Risk & opportunity driver	Description	Management approach
Transition	Starting with short term (1-3 years)	Policy & Regulation	Risk/opportunity: policies on CO ₂ prices and emissions, energy transition policies and financial instruments, revision of market design and permitting procedures, and resilience regulation.	The Group is minimizing its exposure to risks through progressive decarbonization and the focus of the business on renewables, grids and customers. The business model is designed to maximize the benefits of our integrated position in the core countries and leveraging partnership and stewardship activities, which enables us to exploit the opportunities connected with the energy transition. The Group is also actively contributing to the formation of public policies through its advocacy efforts. These activities are conducted within platforms for dialogue with stakeholders that explore ambitious national decarbonization scenarios in the various countries in which Enel operates.
Transition	Starting with medium term (2027-2034)	Market	Risk/opportunity: changes in the prices of commodities, raw materials and energy, evolution of energy mix, changes in retail consumption, changes in competitive environment.	The Group is maximizing opportunities by adopting a strategy founded on the energy transition, focusing on the electrification of energy consumption and the development of renewables and a geographical positioning in countries in which we have an integrated presence. Considering alternative transition scenarios, the Group assesses the impact of different commodity price trends, changes in the share of renewables in the generation mix and the electrification of final consumption.
Transition	Starting with medium term (2027-2034)	Product and Services	Risk/opportunity: increase/decrease in margins and greater scope for investment as a consequence of the transition in terms of greater penetration of electrical mobility, distributed generation and new technologies for the direct and indirect electrification of final consumption.	The Group is maximizing opportunities thanks to its strong positioning in new businesses and "beyond commodity" services. In addition, considering alternative transition scenarios, the Group assesses the impact of different trends in the electrification of consumption.
	Starting with medium term (2027-2034)	Technology		The Group is maximizing opportunities thanks to its strong strategic positioning in new businesses and grids at the global level. With the penetration of direct and indirect electrification technologies, considering alternative scenarios, the Group assesses the potential opportunities for scaling existing and potential businesses and for the development of new solutions linked to digitalization and resilience of power grids.
Acute physical	Starting with short term (1-3 years)	Extreme events	Risk: especially extreme weather/climate events, which can damage assets and interrupt operations.	The Group adopts best practices to manage the restoration of service as quickly as possible. We also work to implement investments in resilience (e.g., the Italian case). With regard to risk assessment in insurance, the Group has a loss prevention program for property risk that also assesses the main exposures to natural events, supported by preventive maintenance activities and internal risk management policies. Looking forward, the assessments will also include the potential impacts of long-term trends in the most significant climate variables.
Chronic physical	Medium (2027-2034) and long term (2035-2050)	Market	Risk/opportunity: increase or decrease in electricity demand under influence of temperature, whose variations can impact the business. Increase or decrease in renewables output, which may be affected by structural changes in resource availability.	The Group's geographical and technological diversification means that the impact of changes (positive and negative) in a single variable is mitigated at the global level. In order to ensure that operations always take account of weather and climate phenomena, the Group adopts a range of practices such as, for example, weather forecasting, real-time monitoring of generation plants and long-term climate scenarios to identify any chronic changes in renewable source availability.

The framework illustrated above also highlights the relationships that link the physical and transition scenarios with the potential impact on the Group's business.

These effects can be assessed from the perspective of three time horizons: the short term (1-3 years), in which sensitivity analyses based on the Strategic Plan presented to investors in 2023 can be performed; the medium term (until 2027-2034), in which it is possible to assess the effects of the energy transition; and the long term (2035-2050), in which chronic structural changes in the climate should begin to emerge in addition to the most evident transition effects.

In order to facilitate the correct identification and management of the risks and opportunities associated with climate change, a Group policy was adopted in 2021 that describes the common guidelines for assessing these risks and opportunities. The "Climate change risks and opportunities" policy defines a harmonized approach for integrating issues relating to climate change and the energy transition into the Group's processes and activities, thus informing industrial and strategic choices to improve business resilience and long-term sustainable value creation, in line with the adaptation and mitigation strategy. The main steps considered in the policy are described below.

- **Prioritization of phenomena and scenario analysis.** These activities include the identification of physical and transition phenomena relevant to the Group and the consequent preparation of the scenarios to be considered, which are developed through the analysis and processing of data from internal and external sources. For the phenomena so identified, functions can be developed to connect the scenarios (for example, data on changes in renewable sources) to the operation of the business (for example, changes in expected potential output).
- **Evaluation of impacts.** This includes all the analyses and activities needed to quantify the effects at an operational, economic and financial level, consistent with the processes in which they are integrated (for example, design of new buildings, evaluation of operational performance, etc.).
- **Operational and strategic actions.** The information obtained from the previous activities is integrated into processes, informing the decisions of the Group and the business activities. Some examples of activities and processes that benefit from this are capital allocation, such as in the evaluation of investments in existing assets or new projects, the development of resilience plans, risk management and financing activities, engineering and business development.

The main sources of risk and opportunity from the evolution of transition scenarios and physical variables, the best practices for the operational management of weather and climate phenomena, and the qualitative and quantitative impact assessments performed to date are discussed below. The above activities are performed on the foundation of an ongoing effort during the year to analyze, assess and manage the information produced. The process of disclosing information on the risks and opportunities connected with climate change will be gradual and incremental from year to year, in line with the recommendations of the most recent climate-change reporting standards.

Enel's resilience to the energy transition and climate change

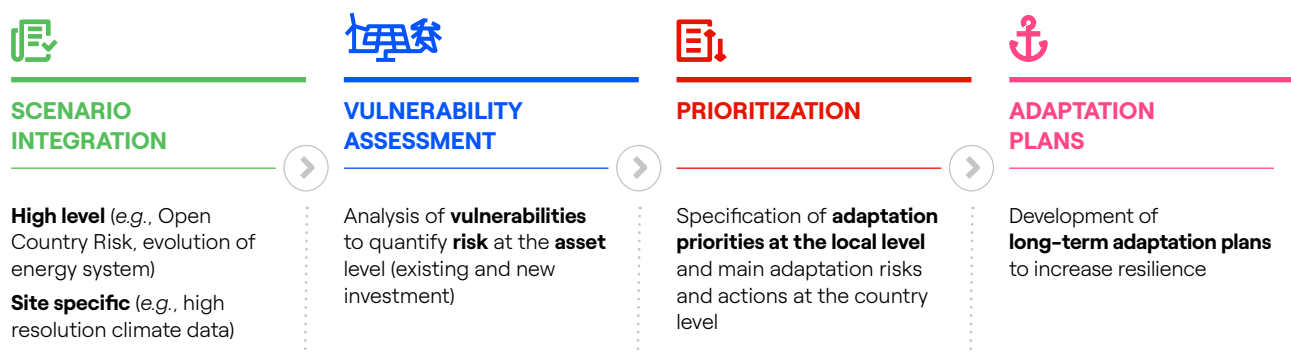
The impacts of climate change, technological evolution, the evolution of policies and changes in macroeconomic fundamentals and geopolitical and market conditions make it every more important to develop resilient business strategies, i.e. strategies both capable of withstanding external shocks, and therefore of absorbing the causes of potential crises and thriving even when external conditions change, whether slowly or rapidly, and sufficiently flexible to identify new opportunities and transform them into actions. Jointly considering the factors associated with energy transition scenarios and the various climate change scenarios is therefore a prerequisite for long-term planning.

The set of transition and climatic scenarios plays a role in guiding strategic and industrial decisions, taking account, for example, of the future effects of temperature on electricity demand, the investments necessary to support the process of ever greater electrification and decarbonization, the evolution of the market environment and of consumer habits. Given that Enel's Strategic Plan concentrates more than 90% of investment on combating climate change through the progressive expansion of generation from renewable sources and the development of infrastructure and services to guide energy systems and customers towards progressive electrification, aiming at the same time at significantly reducing the use of fossil fuels and increasing quality and efficiency, the Group's investments and activities delineate, by design, a long-term growth path that is in line with an energy transition consistent with the Paris Agreement.

The application of long-term climate scenarios enables the construction of adaptation plans for the Group's asset and business portfolio. Climate scenarios are developed starting with the identification of the most relevant physical phenomena for each business (such as heat waves, extreme rainfall, fire risk, etc.), to produce analyses that provide both high-level indicators (such as comparable

country risk indices) and high-resolution data, which make it possible to study physical impacts at the single-site level. The approach applies to both the existing portfolio and new investments. More details on new investments are

described in the dedicated section “Inclusion of climate change effects in the assessment of new projects”. Asset vulnerability assessment makes it possible to identify priority actions to increase resilience.



Transition phenomena: repercussions on our business, risks and opportunities

With regard to the risks and opportunities associated with transition variables, we use the different reference scenarios in combination with the elements that make up the risk identification process (e.g., competitive context, long-term vision of the industry, materiality analysis, technolog-

ical evolution, etc.) to identify the drivers of potential risks and opportunities. Priority is given to the most material phenomena. The main risks and opportunities identified within this framework are described below.

POLICY & REGULATION

Limits on emissions and carbon pricing

Laws and regulations that introduce more stringent emission limits by government action (non-market driven) and market-based mechanisms.

- **Opportunities:** command & control regulations and market-based mechanisms strengthening CO₂ price signals to foster investment in carbon-free technologies.
- **Risks:** lack of a coordinated approach among the various actors and policymakers involved and limited effectiveness of the policy instruments, with an impact on the speed of the trend towards electrification and decarbonization in the various sectors, compared with a decisive Group strategy focused on the energy transition.

Policies and regulation for accelerating the transition and energy security

Introduction of policies, regulatory frameworks and revision of market design features incentivizing the energy transition, consequently guiding the energy system towards the use of renewable energy resources as the mainstream approach in the energy mixes of countries, greater electrification of energy consumption, energy efficiency, flexibility of the electrical system and upgrading of infrastructure.

- **Opportunities:** creation of a more favorable framework for investment in renewable energy, thanks also to the development of long-term markets (PPAs, CfDs) in electricity technologies and distribution grids in line with Group strategy.
- **Risks:** slow administrative authorization processes, and ineffective market design and regulatory frameworks in core countries can reduce asset profitability and limit growth opportunities.

Resilience and adaption regulation

To improve standards or introduce *ad hoc* mechanisms to incentivize investments in resilience in the context of the evolution of climate change.

- **Opportunities:** benefits from investments that reduce the risk of impact on service quality, losses on corporate assets and service continuity for customers and communities.
- **Risks:** in the case of especially severe extreme events with a greater-than-expected impact, there is a risk that recovery could be slower than planned, with an associated reputational risk.

Financial measures for the energy transition

Development of policies and financial instruments that encourage the energy transition, which should be capable of supporting an investment framework and a long-term, credible and stable positioning of policymakers. Introduction of rules and/or public and private financial instruments (e.g., funds, mechanisms, taxonomies, benchmarks) aimed at integrating sustainability into financial markets and public finance instruments.

- **Opportunities:** the creation of new markets and sustainable finance products consistent with the investment framework, activating greater public resources for decarbonization and access to financial resources in line with energy transition objectives and the related impact on costs and on finance charges; introduction of subsidized support tools (funds and calls) for the transition.
- **Risks:** actions and instruments are not sufficient to drive an acceleration of energy transition, uncertainty or slowdown in the introduction of new instruments and rules due to the deterioration in the public finances.

MARKET

Commodity prices dynamics

Changes in market dynamics, such as those related to the volatility of commodity prices, can influence the behavior of operators, policymakers and customers.

- **Opportunities:** acceleration of clean electrification as a solution to reduce energy costs and exposure to commodity volatility. Increased propensity of customers to switch from conventional fossil fuel technologies to efficient electric technologies.
- **Risks:** “disorderly” energy transition caused by the introduction of potentially distortive measures.

Market dynamics

Propensity of final customers to adopt more sustainable technologies, thanks to greater awareness of the risks of climate change and greater regulatory pressure.

- **Opportunities:** positive effects associated with the growth in electricity demand and the greater room for renewables, thanks in part to greater demand for long-term contracts (PPAs).

TECHNOLOGY

Penetration of new technologies supporting the transition

Gradual penetration of new technologies such as electric vehicles, storage, demand response and electrolyzers for the production of green hydrogen. Large-scale adoption of digital technologies to transform operating models and “platform” business models.

- **Opportunities:** investments in developing technology solutions supporting the flexibility of the electrical system. Additional boost to renewables for the production of green hydrogen.
- **Risks:** slowdowns and interruptions in the supply chain for raw materials and semiconductors could lead to delays in procurement and/or increase costs, potentially slowing the penetration of renewables, storage and electric vehicles.

PRODUCTS AND SERVICES

Electrification of residential energy consumption and industrial processes

With the gradual electrification of end uses, the penetration of products with lower costs and a smaller impact in terms of local emissions and greater efficiency in the residential and industrial sectors will expand (for example, the use of heat pumps).

- **Opportunities:** increase in electricity consumption against a background of declining energy consumption thanks to the greater efficiency of electricity. Greater opportunities to provide beyond-commodity services and the opportunity to reduce customers' energy costs and carbon footprint. Greater investments in grids to support the electrification of consumption.
- **Risks:** additional competition in this market segment. Dependence on adequate development of electricity grids, which are essential to deliver increasing loads and service continuity.

Electric mobility

Use of more efficient and effective modes of transportation from the point of view of climate change, with a special focus on the development of electric mobility and charging infrastructure.

- **Opportunities:** positive effects of the increase in electricity demand and greater margins connected with the penetration of electric transportation and associated beyond-commodity services.
- **Risks:** additional competition in this market segment.

The Group has already taken strategic actions to mitigate potential risks and exploit the opportunities offered by the energy transition.

A strategy focused on decarbonization and the energy transition makes the Group resilient to the risks associated with the introduction of more ambitious policies for emissions reductions and maximizes opportunities for the development of renewable generation, infrastructure and enabling technologies, thanks in part to our geographical positioning in countries with an integrated presence.

To quantify the risks and opportunities engendered by the energy transition, the transition scenarios described in the section "Enel's energy transition scenarios" have been considered.

In the Enel *Reference* scenario, the progressive electrification of final energy consumption, especially in transport and the residential sector, leads to an increase in electricity consumption and therefore to a growth in electricity demand. This dynamic reduces the risk associated with the progressive increase in the share of renewables in the energy mix, which could trigger a reduction in the price of wholesale electricity. Furthermore, revisions of the market design in favor of long-term remuneration would have a positive impact on profitability.

The effects of the *Slower Transition* and *Accelerated Transition* on the variables that can most impact the business were then identified, in particular electricity demand influenced by developments in the electrification of consumption – and hence the penetration of electrical technologies – and the power generation mix.










With regard to the electrification of consumption, however, the *Slower Transition* scenario envisages lower penetration rates for the most efficient electrical technologies, in particular electric vehicles and heat pumps, producing a decrease in electricity demand compared with the *Reference* scenario, which is expected to have a limited impact on the commodity and beyond-commodity retail business. At the same time, the decline in electricity demand would leave less room for growth in renewables, with an impact on the generation business, partially offset by higher electricity prices than in a scenario with more renewables capacity.

The *Accelerated Transition* scenario assumes a more rapid reduction in the costs of green hydrogen production technologies compared with the *Reference* scenario. This translates into greater penetration for green hydrogen, with a consequent additive effect on national electricity demand and the installation of renewables capacity compared with the *Reference* scenario.

All of the scenarios, but especially the *Reference* and the *Accelerated Transition* scenarios, will entail a greater role for grids. In fact, we expect a significant increase in distributed generation and storage systems, the greater penetration of charging infrastructure and a growing rate of electrification of consumption. These developments will lead to the decentralization of power withdrawal/injection points, an increase in electricity demand and the average power required, and strong variability of energy flows, requiring dynamic and flexible management of the grid.

 Upside (Accelerated Transition vs Reference)

 Downside (Slower Transition vs Reference)

Scenario phenomena	Risk/ opportunity category	Description	Time horizon	Description of impact	GBL involved	Scope	Quantification – Impact type	Quantification – range			
								Upside/ Downside	<€100 mil	€100–300 mil	>€300 mil
Transition	Market	Risk/opportunity: more/less scope for investment in new renewables capacity and power price changes corresponding to different degrees of renewables penetration	Medium term ⁽¹⁾	Two alternative transition scenarios to the <i>Reference</i> scenario are considered, with respect to which the Group has evaluated the impact of different degrees of renewables penetration on the reference power price and additional capacity	Global Generation Global Enel X Retail 	Enel Group	EBITDA/year	Upside			
								Downside			Adoption of measures to increase Customer Base in order to compensate for the negative impact on margins
Transition	Market	Risk/opportunity: smaller/ larger margins depending on degree of electrification of consumption	Medium term ⁽¹⁾	Considering two alternative transition scenarios to the <i>Reference</i> scenario, the Group has evaluated the effects of a change in average unit consumption and electricity demand as a result of greater/ lesser electrification of energy consumption	Global Enel X Retail Global Grids 	Enel Group	EBITDA/year	Upside			
								Downside			Adoption of measures to increase Customer Base in order to compensate for the negative impact on margins
Transition	Product and Services	Risk/opportunity: larger/smaller margins and more/less scope for investment depending on the effects of the transition in terms of penetration of new technologies and electric transport	Medium term ⁽¹⁾	Considering two alternative transition scenarios to the <i>Reference</i> scenario, the Group has evaluated the effects of different trends in the electrification of transport and the electrification of domestic consumption	Global Enel X Retail 	Enel Group	EBITDA/year	Upside			
								Downside			

(1) 2030 benchmark.









The Group therefore expects that in this scenario incremental investments will be needed to ensure connections and adequate levels of quality and resilience, encouraging the adoption of innovative operating models. These in-

vestments must be accompanied by consistent policy and regulatory scenarios to ensure adequate financial returns within the Enel Grids Business Line.

Chronic and acute physical phenomena: possible impacts on our business, risks and opportunities

Taking the scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) as our reference point, developments in the following physical variables and the

associated operational and industrial impacts connected with potential risks and opportunities are assessed.

		PRIORITY					
		<div> <div>● High</div> <div>● Low</div> <div>● Not relevant</div> </div>					
		RAIN/SNOW	WIND	SOLAR RADIATION	SEA LEVEL	AIR TEMPERATURE	RIVER/SEA TEMPERATURE
 Thermal		●	●	●	●	●	●
 Solar		●	●	●	●	●	●
 Wind		●	●	●	●	●	●
 Hydro		●	●	●	●	●	●
 Storage		●	●	●	●	●	●
 Geothermal		●	●	●	●	●	●
 Grids		●	●	●	●	●	●
 Enel X Global Retail		●	●	●	●	●	●

Chronic physical changes creating risks and opportunities

The climate scenarios developed with the International Centre for Theoretical Physics (ICTP) in Trieste show material changes beginning to emerge between 2030 and 2050. In practice, while significant meteorological variations have been recorded, it is still a challenge to establish

in the short term whether certain phenomena are changing structurally, or whether the average benchmark values are already changing. Instead, it is established on the longer time horizon with probability intervals.

The main impacts of chronic physical changes are expected to be reflected in the following variables:

Variables impacted by chronic physical changes

- **Electricity demand:** variation in the average temperature level with a potential increase or reduction in electricity demand.
- **Thermal generation:** variation in the level and average temperatures of the oceans and rivers, with effects on thermal generation.
- **Hydroelectric generation:** variation in the average level of rainfall and snowfall and temperatures with a potential increase or reduction in hydro generation.
- **Solar generation:** variation in the average level of solar radiation, temperature and rainfall with a potential increase or reduction in solar generation.
- **Wind generation:** variation in the average wind level with a potential increase or reduction in wind generation.

As part of the assessment of the effects of long-term climate change, we have identified chronic events relevant to each technology and began the analysis of the related impacts. The following matrix identifies the chronic climate phenomena to which each of the Group's assets and technologies was found to be most vulnerable, differentiating by the priority of the phenomenon.

In particular, the Group works to effectively estimate the relationships between the changes in the physical variables reported in the matrix and the change in producibility relating to individual plants for the different technologies.

Analysis of the impact of chronic climate change on renewable generation

To calculate the impact of the chronic effects of climate change on the production of our assets, a series of *ad hoc* functions have been created for each renewable technology (wind, solar and hydroelectric) and plant, which associate, with each change in climatic variables (e.g., temperature, radiation, wind speed, rainfall), probable changes in terms of electrical producibility of the plants in our portfolio.

To calibrate these "link" functions, we started from the historical data of the weather-climate variables⁽³³⁾ and from the internal references of the observed producible energy of our plants. In this way, link functions have been obtained which respond to the specific characteristics of each renewable plant and technology.







It was therefore possible to study the chronic climate impacts for possible future projections of climate variables (RCP 2.6, 4.5 and 8.5 scenarios).

Together with the chronic phenomena, which involve aver-

age structural changes, it is necessary to study the typical volatility of the weather and therefore more short-term. Both the information derived from the variation ranges of the chronic trends projected by the climatic scenarios and the historical volatilities of the meteorological data were taken as input for the strategic planning, through analysis of the variations in electricity production (TWh) over the last 10 years.

All fluctuations, both weather and climatic, can lead to adjustments, since the production of the plants feeds the sourcing for the sale of energy to customers. In essence, reductions in terms of energy for renewable production can lead to imbalances on the sourcing side which can lead to the purchase of the missing volumes on the market to feed the commercial strategy. Conversely, greater renewable production leads to a possible reduction in the purchase of volumes on the market (or possibly higher sales).

Chronic structural changes in the recent trends of physical variables will manifest themselves gradually over long time scales. In order to obtain an indicative projection of the potential impacts, and include a possible acceleration of the manifestation of chronic effects, we can perform a stress test of the Business Plan with regard to the factors potentially influenced by the physical scenario, taking account of historical weather variability and the climate changes that are expected to emerge in the long term. The current Business Plan was constructed using the information contained in the median scenarios for chronic phenomena, so as to consider the possible effects of trends in climate variables. The following chart reports the findings of this analysis.

Scenario phenomena	Risk/opportunity category	Description	Time horizon	Description of impact	GBL involved	Scope	Quantification - Impact type	Upside/Downside	Quantification - range		
									<€100 mil	€100-300 mil	>€300 mil
Chronic physical	Market	Risk/opportunity: increased or decreased electricity demand	Medium/long term	Electricity demand is also influenced by temperature, fluctuations in which can impact the business. Although structural changes should not emerge in the short term, sensitivity analyses of variations in electricity demand are used, in line with the climate scenarios analyzed	Global Generation Global Grids 	Enel Group	EBITDA/year	Upside			
								Downside			
Chronic physical	Market	Risk/opportunity: increase or decrease in renewable generation	Medium/long term	Renewable generation is influenced by the availability of resources, fluctuations in which can impact the business. Although structural changes should not emerge in the short term, the sensitivity of the Group's results was assessed using sensitivity analyses considering historical meteorological volatility and variations in generation potential in the different climate scenarios	Global Generation 	Enel Group	EBITDA/year	Upside			
								Downside			

(33) Historical data from ISPRA (Istituto Superiore per la Protezione e la Ricerca Ambientale) e ERA5 data from ECMWF (European Centre for Medium-Range Weather Forecasts).









Acute physical changes creating risks and opportunities

With regard to acute physical phenomena (extreme events), the intensity and frequency of extreme physical phenomena can cause significant and unexpected physical damage to assets and generate negative externalities associated with the interruption of service.

Acute physical phenomena, in different cases such as windstorms, floods, heat waves, cold snaps, etc., are characterized by considerable intensity and a frequency of occurrence that, while not high in the short term, is clearly trending upwards in medium- and long-term climate scenarios.

Therefore, the Group is already managing the risk associated with extreme events in the short term. At the same time, the methodology is also being extended to longer time horizons (up to 2050) in accordance with the climate change scenarios that have been developed (RCP 8.5, 4.5 and 2.6).

In the case of the vulnerability of assets in the portfolio, a table of the main extreme events relevant to the different technologies was defined in collaboration with the Group's relevant global business lines, in order of priority, as was done for chronic phenomena.

		PRIORITY						
		<div> <div>● High</div> <div>● Low</div> <div>● Not relevant</div> </div>						
		<div> <div>🔥</div> <div>🌊</div> <div>❄️</div> <div>⚡</div> <div>🌀</div> <div>🔥</div> <div>⚡</div> </div>						
		HEAT WAVES	FLOODING / HEAVY PRECIPITATION	HEAVY SNOW/ICING	HAIL	WINDSTORMS	WILDFIRES	LIGHTNING
	Thermal	●	●	●	●	●	●	Under assessment
	Solar	●	●	●	●	●	●	Under assessment
	Wind	●	●	●	●	●	●	Under assessment
	Hydro	●	●	●	●	●	●	●
	Storage	●	●	●	●	●	●	●
	Geothermal	●	●	●	●	●	●	Under assessment
	Grids	●	●	●	●	●	●	●
	Enel X Global Retail	●	●	●	●	●	●	Under assessment

In order to understand the impacts on our business, this matrix was considered for conducting possible *ad hoc* analyses in order of priority.

Acute event risk assessment methodology

In order to quantify the risk deriving from extreme events,

the Group uses a consolidated catastrophic risk analysis approach, which is adopted in the insurance sector and in the IPCC reports.⁽³⁴⁾ This methodology is used both in assessing risks to support industrial and strategic decision-making and to hedge the risk through its insurance business units and the captive insurance company Enel

(34) L. Wilson, "Industrial Safety and Risk Management", University of Alberta Press, Alberta, 2003.

T. Bernold, "Industrial Risk Management", Elsevier Science Ltd, Amsterdam, 1990.

H. Kumamoto and E.J. Henley, "Probabilistic Risk Assessment and Management for Engineers and Scientists", IEEE Press, 1996.

Nasim Uddin, Alfredo H.S. Ang (eds.), "Quantitative risk assessment (QRA) for natural hazards", ASCE, Germany, 2012.

UNISDR, "Global Assessment Report on Disaster Risk Reduction: Revealing Risk, Redefining Development", United Nations International Strategy for Disaster Reduction, Geneva, 2011.

IPCC, "Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation - A Special Report of Working Groups I-II of the Intergovernmental Panel on Climate Change (IPCC)", Cambridge University Press, Cambridge, 2012.

Insurance NV. The Group manages the various phases of assessing the risks connected with natural disasters: from assessment and quantification to the corresponding insurance coverage to minimize impacts.

In all of these types of natural disasters, three independent factors can be identified, as briefly described below.

- The event probability (hazard), i.e. the theoretical frequency of the event over a specific time frame, which can also be expressed as the recurrence interval or return period. A hazard that has a specific geographical distribution is analyzed in the areas where the Group assets involved are located.

For this purpose, the Group adopts the hazard map tool, which associates the estimated hazard for the different types of natural disasters with each geographical point. This information, organized in geo-referenced databases, is obtained from global reinsurance companies or developed on the basis of data from weather consulting firms or academic institutions.

- Vulnerability, which indicates in percentage terms how much value would be lost upon the occurrence of a given catastrophic event. In more specific terms, reference can be made to the damage to material assets,

the impact on the continuity of electricity generation and/or distribution or the provision of electrical services to end users.

The Group, especially in the case of damage to its assets, conducts and promotes specific vulnerability analyses for each technology in its portfolio, for example solar, wind and hydroelectric generation plants, transmission and distribution grids, primary and secondary substations, etc.

- Exposure, i.e. the set of economic values present in the Group's portfolio that could be materially impacted in the presence of catastrophic natural events. Again, the dimensions of the analyses are specific for the different production technologies, distribution assets and services to end users.

The three factors described above (hazard, vulnerability and exposure) constitute the fundamental elements of any assessment of the risk associated with extreme events. In this sense, the Group, with respect to climate change scenarios, differentiates its risk analyses in accordance with the specificities of the various associated time horizons. The following table summarizes the scheme adopted for the assessment of the impacts deriving from acute physical phenomena.

Time horizon	Hazard	Vulnerability	Exposure
Short term	Hazard maps based on historical data and meteorological models	Vulnerability, being linked to the type of extreme event, to the specifics of the type of damage and to the technical requirements of the technology in question, is essentially independent of time horizons	Group values in the short term
Medium and long term	Hazard maps and specific studies for the different RCP climate scenarios of the IPCC		Group values in the long term

Managing the risk of extreme events in the short term

Over the short term (1–3 years) the Group, in addition to risk assessment and quantification, takes actions to reduce the impacts that the business may suffer following catastrophic extreme events. Two main types of action can be distinguished: obtaining effective insurance coverage and climate adaptation activities, preventing losses that could be caused by extreme events.

The general characteristics of these actions are illustrated below and, naturally, in the case of adaptation activities for damage prevention and mitigation, specific reference will be made to the Group's Generation and Enel Grids Global Business Lines.

Impact of acute physical events on the Group

The Enel Group has a well-diversified portfolio in terms of its generation technologies, geographical distribution and asset scale and, consequently, the portfolio's exposure to natural risks is also diversified. The Group implements various risk mitigation measures, which, as described below, include both insurance coverage and other management and operational arrangements to further lower the Company's risk profile.

The empirical evidence indicates negligible repercussions from these risks, as shown by the data for the last five years. Considering the most significant events, defined as events with a gross impact of more than €10 million, the cumulative gross impact amounts to about €130 million, which represents less than 0.06% of the value of the Group's insured assets as at 2023 (about €220 billion).

Acute Events Risk Index (AERI)

As reported in previous publications, the Group has developed a climate change index called Acute Events Risk Index (AERI)⁽³⁵⁾ to provide a high-level indication of changes in risk to renewable generation plants attributable to climate change for acute phenomena. In particular, the results show the share of installed capacity that, based on climate projections (RCP 2.6), will be located in areas characterized by a risk class that will vary depending on the expected increase in the hazard attributable to climate change in the 2030–2050 period compared with the historical period.

The AERI considers the Group's hydroelectric, solar and wind plants (Enel Green Power and Enel X) and in 2023 it was updated to include COD 2022 plants.⁽³⁶⁾ The index uses climate metrics and the approach followed for the preliminary screening, which will also be described later, in order to identify assets that will be exposed to more intense climate change effects. The objective of this evaluation is to define the priorities for the detailed analyses necessary for the identification of adaptation actions. This offers a summary representation of a screening performed for each plant and relevant physical phenomenon, against which priorities will be evaluated for more detailed analyses.

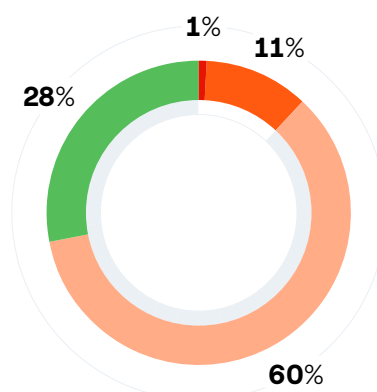
In particular, the relevant physical phenomena are considered for each plant, with respect to which the level of future climate change is calculated and a risk class (high, medium, low, very low) is assigned to each asset using an appropriate weighting system. At this point it is possible to aggregate the results and arrive at the Group AERI value broken down by each risk category.

As shown in the figure below, in the RCP 2.6 scenario, just over 1% of the total analyzed capacity of the Enel Group is located in areas classified as at high risk from climate change: for these plants, a detailed analysis is a priority in order to identify possible adaptation measures. By comparison, about 11% will be located in medium-risk areas. This means that the asset situation must be analyzed on a rolling basis to evaluate whether to proceed with more in-depth analyses using higher resolution data in order to determine the need for adaptation with respect to specific phenomena. Finally, the remaining installed capacity (88%) is associated with a low or very low risk: plants in these categories are not expected to be exposed to substantial climate change impacts in the RCP 2.6 scenario. For these, therefore, the criteria and actions already implemented remain adequate and any detailed studies will have a lower priority. The analyses will in any case be updated and refined on an ongoing basis to ensure monitoring of expected climate change effects on all plants.

BREAKDOWN OF GROUP CAPACITY (%) BY CLIMATE CHANGE RISK CATEGORY (RCP 2.6 SCENARIO)

Risk class

- High
- Medium
- Low
- Very low



Acute Events Risk Index (AERI) at Group level for the RCP 2.6 scenario

(35) The AERI evaluates the percentage of capacity at risk in the long term (2030–2050) compared with the historical period. It is thereby assumed that the Group's plants are resilient to phenomena observed in the recent past.

(36) Plants in Peru are not included in the estimation of the index. In 2023, the index calculation methodology was also refined to take better account of the intrinsic uncertainty of climate data.

The Group is also working to extend the analysis to the distribution grids and thus also obtain qualitative and quantitative information for Enel Grids on the climate risks associated with that business line's assets.

Insurance in the Enel Group

Each year, the Group develops global insurance programs for its businesses in the various countries in which it operates. The two main programs, in terms of coverage and volumes, are the following:

- the Property Program ("Property Damage and Business Interruption Insurance Program") for material damage to assets and the resulting business interruption. Accordingly, in addition to the costs of rebuilding assets (or parts thereof), the financial losses due to the stoppage of electricity generation and/or distribution are also covered, within the limits and conditions defined in the policies;
- the Liability Program ("General & Environmental Liability Insurance Program"), which insures against losses caused to third parties, including the impact that extreme events may have on the Group's assets and business.

Based on effective risk assessment, it is possible to specify appropriate limits and insurance conditions within the policies, and this also applies in the case of extreme natural events linked to climate change. In fact, in the latter case, the impacts on the business can be significant but, as has happened in the past in various locations around the world, the Group has demonstrated a high degree of resilience, thanks to the ample insurance coverage limits, thanks in part to the Group's solid reinsurance capabilities through the captive company.

The presence of this effective insurance coverage does not make the actions that the Group takes in the preventive maintenance of its generation and distribution assets any less important. In fact, while on the one hand the effects of these activities are immediately reflected in the mitigation of the impacts of extreme events, on the other hand they are a necessary prerequisite for optimizing risk financing and minimizing the cost of the Group's global insurance coverage programs, including the risk associated with catastrophic natural events. This adaptive strategy takes the form of management strategies and

actions that go beyond insurance alone and change with the surrounding conditions. For example, the Group has managed to sterilize much of the strong upward trend in premiums on the insurance markets through changes to its risk retention policies for assets, as well as through internal risk transfer policies that reward the business lines that are most virtuous in terms of risk mitigation. From this perspective, the method and the information extracted from the ex-post analysis of events play a crucial role in determining the processes and practices to be deployed in mitigating such events in the future.




Climate change adaptation in the Enel Group

The Group implements climate change adaptation solutions using an overall approach that, as described in the "Climate change strategy" section, assesses potential impacts in order to appropriately calibrate the necessary adaptation measures to enhance our ability to respond to adverse events (Response Management) and to enhance the resilience of the business (Resiliency Measures), thereby reducing the risk of future negative impacts of adverse events. Furthermore, the skills and tools developed to analyze the effects of climate change can be used to create value, for example through the conception of new business options that offer solutions to facilitate the adaptation of communities and all stakeholders.

The adaptation solutions can involve both policy actions and best practices implemented in the short term, and long-term decisions.

For new investments, in line with the general approach, it is also possible to take early action in the design and construction phase to reduce the impact of climate risks "by design", for example by taking account in the design stage of climate scenarios and asset vulnerability analyses for specific phenomena in order to implement resilient solutions.

The following table provides a high-level summary of the type of actions that Enel implements to effectively manage adverse events and to increase resilience to weather phenomena and their evolution under the impetus of climate change. In the following sections, certain activities are described in greater detail.

Business lines	A. Resiliency Measures – Enhancing asset resilience	B. Response Management – Adverse event management
Enel Green Power and Thermal Generation 	Existing assets <ol style="list-style-type: none"> Guidelines for hydraulic risk assessment and design Lessons-learned feedback from O&M to E&C and BD New construction <p>In addition to actions for existing assets:</p> <ol style="list-style-type: none"> Climate change risk assessments (CCRA) included in environmental impact documentation (pilot) 	Existing assets <ol style="list-style-type: none"> Critical incident and event management Site-specific emergency management plans and procedures Specific tools for forecasting imminent extreme events and weather alerts
Enel Grids 	Existing assets and new construction <ol style="list-style-type: none"> Guidelines for developing grid resilience enhancement plans (e.g., the “Network Resilience Enhancement Plan” of e-distribuzione) Strategies and guidelines for Risk Prevention on distribution grid Resilience Plan for Italy and Network Strength in Colombia 	Existing assets <ol style="list-style-type: none"> Strategies and guidelines for Readiness, Response and Recovery actions for the distribution grid Global guidelines for emergency and critical event management Risk prevention and preparation measures for fires involving electrical installations (lines, transformers, etc.)
Enel X Global Retail 	Existing assets <ol style="list-style-type: none"> Preliminary analysis of the impacts of medium/long-term climate change 	Existing assets <ol style="list-style-type: none"> Enel X Critical Event Management

Enel has also completed a project involving the construction of a catalog of practical intervention actions intended to enhance the resilience of assets and their ability to respond to possible climate change effects.

The catalog includes targeted actions for each of the relevant events reported in the matrices of relevant phenomena (see previous sections), for each geographical area of interest of the Group, differentiated by the different asset technologies adopted in these areas.

The catalog of possible adaptation actions, which is maintained and updated on a cyclical basis in response to emerging needs and the refinement of the analyses conducted prior to their development, comprises more than 100 actions, including:

- weather alerting (which includes the use of various tools to monitor and manage assets and natural resources);
- automation (for example, implementation on medium-voltage grids to reduce the impact of faults on customers as measured in terms of SAIDI and SAIFI);
- structural reinforcement across the entire asset base with a special focus on critical components;
- continuous staff training;
- maintenance of vegetation and care of the environment immediately surrounding assets.

The catalog is an important collection of possible adaptation options that can be used to generate estimates of

cost and risk avoided for applications at specific sites. This information makes it possible to select the most appropriate action on the basis of a cost-benefit analysis that takes account of the expected risks in each specific situation.

How Enel ensures the resilience of generation

With regard to generation, over time the Group has implemented targeted measures at specific sites and established *ad hoc* management activities and processes.

Measures implemented for specific sites in recent years include:

- improving cooling water management systems for certain plants in order to counter the problems caused by the decline in water levels on rivers, such as the Po River in Italy;
- installing fogging systems to improve the flow of inlet air and offset the reduction in power output caused by the increase in ambient temperature in CCGTs;
- installing drainage pumps, raising embankments, periodic cleaning of canals and interventions to consolidate land adjacent to plants to prevent landslides in order to mitigate flood risks;
- periodic site-specific reassessments for hydro plants of flood scenarios using numerical simulations. The scenarios developed are managed with mitigation actions and interventions for civil works, dams and water inlets.

The Group adopts a series of best practices to manage the impact of weather events on power generation, such as:

Group practices for managing weather events in generation operations

Main areas:

Maintenance

O&M Operation

Dams and Hydraulic Infrastructure Safety

Critical Event

Management

- Weather forecasting both to monitor renewable resource availability and detect extreme events, with warning systems to ensure the protection of people and assets.
- Hydrological simulations, land surveys (including with the use of drones), monitoring any vulnerabilities through digital GISs (Geographic Information Systems) and satellite measurements.
- Advanced monitoring of over 100,000 parameters (with over 160 million historical measurements) for dams and hydroelectric works.
- Real-time remote monitoring of generation plants.
- Safe rooms in plants in areas exposed to tornadoes and hurricanes, such as the wind farms in Oklahoma in the United States.
- Adoption of specific guidelines for performing hydrological and hydraulic studies from the earliest development stages, aimed at assessing the risks inside plants and in the areas outside plants, with application in the design phase of drainage and mitigation systems in compliance with the principle of hydraulic invariance.
- Verification of potential climate trends for the main project parameters in order to take them into account in the sizing of systems for relevant projects (for example, assessments of the temperature of the coolant source in order to ensure greater flexibility in cooling in new CCGTs) and civil engineering works (for example, rainfall assessments for designs of drainage systems at solar plants).
- Estimation of extreme wind speeds using updated databases containing the logs and historical trajectories of hurricanes and tropical storms, enabling the selection of the wind turbine technology best suited to the emerging conditions.

In addition, in order to ensure rapid response to adverse events, the Group has adopted specific emergency management procedures with protocols for real-time communication and management of all activities to restore operations rapidly and standard checklists for damage assessment and the safe return to service for all plants as rapidly

as possible. One solution to minimize the impacts of climate phenomena is represented by the lessons-learned feedback process, which is implemented by the technical functions. It is governed by the existing operating model and influences future projects.

Analyzing future climate impacts to identify adaptation needs

In the Generation Business Line we mapped globally relevant phenomena (see earlier matrix) to perform analyses of acute and chronic climate risks in order to estimate the medium/long-term impact on the Group's generation plants.

In particular, the analysis of acute events was performed in two phases, involving:

- preliminary screening of the hazard and exposure for all hydro, wind and solar plants with the aim of classifying the existing plant portfolio, considering specific vulnerabilities and identifying plants at greater risk in order to conduct a more detailed analysis;
- detailed analysis of plants with a greater risk priority, enabling the future identification of possible

adaptation actions and measures to prevent damage from acute events and output losses.

The detailed analysis was conducted to take account of the possible increase in the frequency and intensity of extreme events and consequently identify assets exposed to the related phenomenon.

The detailed analysis of the pilot sites identified a small number of assets at high risk in the long term for the entire set of phenomena considered.

Heavy rainfall

- An analysis was performed for a significant number of plants, which highlighted a high correlation between the geo-morphology of the site and the impact of the phenomenon on the asset, confirming the need for a specific site analysis, especially for those assets most exposed to the phenomenon

involved (the most exposed technologies included photovoltaics while the greatest exposures at the geographical level were found in Latin America).

- More extensive studies made it possible to identify possible structural adaptation measures to lower the level of hydraulic risk to an acceptable threshold. Their implementation will require a cost-benefit analysis. Such structural adaptation interventions can, for example, involve the construction of hydraulic mitigation works (mainly embankments, riverbed reprofiling, adaptation of drainage channels, expansion and lamination tanks) or raising of the components at risk with earth moving works or increasing the length of the support structures in the case of photovoltaic panels.

Heat waves

- The impact of heat waves on photovoltaic systems was studied in depth. This critical event is characterized by the persistence of high temperatures for multiple days with no rainfall.
- Despite the increase in the frequency and intensity of this climate phenomenon, no significant impacts were registered on this asset, with just a reduction in the performance of the inverter due to derating in certain periods of the year in specific locations.

Windstorms

- With regard to windstorm risk, despite scenarios showing an increase in such events, the impact

analysis shows a high level of resilience by design, especially for the wind farms analyzed.

- The implementation of any adaptation measures will require specific site assessments based on a cost-benefit analysis, considering the limited impact of the phenomenon on Enel Green Power plants.

Wildfires

- With regard to fire risk, the business line conducted a study to identify the areas at greatest risk. In order to prevent fires outright and/or reduce response times, a number of possible adaptation measures were identified for adoption in the design or operational phase of plants. These include additional removal of vegetation around the project area, the creation of firebreaks, additional coordination with local authorities on how to respond in the event of a fire.

The methodologies developed will be progressively refined with the aim of also applying them to the design and development of new Enel Green Power plants. The application of these assessments in the design stage will help further boost resilience, forecasting the risks and preserving the value of new projects.

These studies will make it possible to quantify the need for adaptation in terms of Risk Prevention (for example, the adoption of an adaptive design) and Event Management and management of residual risk.

Grid resilience lies at the heart of Enel's strategy

The Enel Grids Business Line, following the Group policies mentioned above ("Climate change risks and opportunities"), has issued a specific policy (Climate Change Risk Assessment) that provides general criteria, methodological tools and requirements for identifying, analyzing and assessing climate change risks in respect of the assets managed and the activities conducted, in order to monitor the risk and the actions to be implemented to mitigate its impacts.

In the Enel Grids Business Line the Enel Group has adopted an approach in recent years called "4R" to cope with extreme climate events. A specific policy (which seeks to implement an innovative strategy to ensure the resilience of the distribution grid) has been developed to define the measures to be taken both in preparation for an emergency within the network and for the prompt restoration of service once climate events have caused damage to assets and/or outages. The 4R strategy is divided into four phases:

1. Risk prevention: this includes actions that make it possible to reduce the probability of losing network components because of an event and/or to minimize its effects, i.e. interventions aimed both at increasing the robustness of the infrastructure and maintenance interventions. The choice of technical solutions to enhance resilience is guided by a catalogue that identifies the most appropriate response for each climate event and geographical area.
2. Readiness: this includes all measures aimed at increasing the speed with which a potentially critical event can be identified, ensuring coordination with Civil Protection authorities and local institutions and preparing the necessary resources once a grid disruption has occurred.
3. Response: this represents the phase in which the operational capacity to cope with an emergency upon the occurrence of an extreme event is assessed. It is directly related to the ability to mobilize operational resources in the field and the capacity to remotely restore power supply through resilient backup systems.

4. Recovery: this is the last phase, in which the goal is to return the grid to ordinary operating conditions as soon as possible in cases where an extreme weather event has caused service interruptions despite the increased resilience measures taken previously.

Following this approach, the business line has prepared various policies for specific actions to address the various aspects and risks associated with climate change. In particular:

Guidelines for Readiness Response and Recovery actions during emergencies

This policy covers the last three phases of the 4R approach, indicating guidelines and measures to improve preparation strategies, mitigate the impact of total blackouts and, finally, restore service to as many customers as possible in the shortest time possible.

Guideline for Network Resilience Enhancement Plan

This policy seeks to identify the most impactful extraordinary climate events on the network, to evaluate the specific KPIs of the AS-IS network and to improve them based on proposed interventions in order to be able to evaluate the order of priority. In this manner, actions are selected that, when implemented, will minimize the impact on the grid of particularly critical extreme events in a given area/region. The policy therefore covers the first two phases of the 4R approach, suggesting measures regarding risk prevention and readiness.

In Italy, this policy has been translated into the Resilience Plan that e-distribuzione has prepared each year since 2017, which represents an addendum to the Development Plan for *ad hoc* investments over a 3-year time horizon to reduce the impact of extreme events in certain critical areas, namely heat waves, icing and windstorms (with the associated risk of falling trees). In 2017-2021, some €672 million were invested and about €262 million will be invested in the following three-year period, as specified in the addendum to the 2022-2024 Plan. To address these risks, investments include the targeted replacement of uninsulated lines with insulated conductors, the undergrounding of cables in some cases or solutions involving routes to restore power that are not vulnerable to the above phenomena.

As in Italy, similar issues are being explored in other countries, both in Europe and South America, in order to prepare an *ad hoc* investment planning process to enhance the resilience of grids to extreme events, taking due account of the distinctive characteristics of each territory.

Measures for Risk Prevention and Preparation in case of wildfires affecting the electrical installations

This policy is dedicated to addressing the risk of wildfires, outlining an integrated approach to emergency management measures applied in the case of forest fires, whether they are of external origin or, in rare cases, are caused by the grid itself and could potentially threaten Enel plant. The document provides guidelines to be implemented in the various territories involved to identify areas/plant at risk, define specific prevention measures (e.g., evaluation of specific maintenance plans and any upgrades) and, in the event of a fire, manage the emergency optimally in order to limit its impact and restore service as soon as possible.

Support actions

These include the implementation of systems for weather forecasting, monitoring the status of the grid and evaluating the impact of critical climate phenomena on the grid, the preparation of operational plans and the organization of specific exercises. Particularly important in this regard are advance agreements for the mobilization of extraordinary resources to respond to emergencies, comprising both internal personnel and contractors. For example, in Italy, in addition to having installed and placed in operation three experimental stations to observe and investigate ice formation on MV lines, IoT sensor trials were launched to monitor on above-ground lines in areas that are highly exposed to snow and wind (Project Newman).

Enel Grids is making a significant contribution to the drafting of the initial industry publications on the importance of resilience and adaptation to climate change and possible actions, including the report issued by Eurelectric-EPRI⁽³⁷⁾

in December 2022 entitled “The Coming Storm: building electricity resilience to extreme weather”.

With a view to ensuring continuous improvement, Enel Grids also performs scouting activities, directly contact-

(37) EPRI: Electric Power Research Institute.







ing startups and industry experts or using challenges proposed by the Enel Group's innovation function, in order to identify innovative technological solutions to support

climate impact and adaptation measures to increase the resilience of the grid.

Analyzing future climate impacts to identify adaptation measures

Beginning with the mapping of key phenomena at the global level, Enel Grids monitors trends in the most critical threats in the various countries in which the Group operates in order to estimate their future impact on the grid in the medium and long term. To

do this, it is first necessary to perform a preliminary assessment of the impacts on the grid (including associated failures) of the extreme weather events that have occurred in the past. The mapping that associates the most critical acute events to each core country is shown in the figure below. This enables the identification of priority analyses to identify any adaptation measures.

EVENT	RISK					
	High	Medium	Low			
						
	WILDFIRES	HEAVY SNOW/ICING	HEAT WAVES	WINDSTORMS	FLOODING/HEAVY PRECIPITATION	LIGHTNING
Italy	Medium	High	High	High	Medium	Medium
Spain	High	High	Low	High	High	Medium
São Paulo	Low	Low	High	High	Medium	Low
Rio de Janeiro	Medium	Medium	Low	High	High	Low
Ceará	Medium	Low	Low	High	High	Low
Chile	Low	Low	Low	High	Medium	Low
Colombia	Medium	Low	Medium	Medium	High	High

Starting from these assessments, detailed studies were then conducted for specific phenomena and geographical areas. Here are some examples.

Heavy rainfall/windstorms

- An analysis was conducted to investigate the phenomenon of explosive cyclogenesis (the product of a combination of intense wind and rain) in Spain, with projections of events up to 2050, evaluating the possible future impacts on grid assets. The initial findings suggest that the trend is substantially in line with the historical observed record, with the exception of the coastal areas of Catalonia, where a possible intensification of events is expected.
- Studies were also carried out in Colombia on the impact of rainfall in both the Bogotá and Cundinamarca areas, evaluating the possible scenarios up to 2050. The in-depth studies carried out show a substantial persistence over time of the negative effects associated with this phenomenon. On the basis of these initial results, the planned response measures mainly regard waterproofing secondary substations in urban areas, to avert flood risk, and strengthening aerial infrastructures to limit the consequences of the direct impact of rainfall.
- An initial analysis was conducted in Chile on the impact of windstorms in the Santiago de Chile concession area. The findings of the scenario analysis through 2050 show the phenomenon

persisting. This is being kept under observation for future planning of work to reinforce the overhead network by replacing bare conductors with cable.

Heat waves

- Heat waves in Italy were investigated further on the basis of the initial results in 2020. This critical event is characterized by the persistence of high temperatures over a period of several days in correspondence with the absence of precipitation which, by hindering the dissipation of heat from underground cables, causes an anomalous increase in the risk of multiple failures on grids, especially in urban areas and in summer tourist locales. The analyses performed have highlighted how this climate phenomenon will intensify in the coming decades by 10–40% by 2050 (depending on the climate scenario), requiring adequate adaptation actions as already laid out in the expanding commitment envisaged both by the Resilience Plan indicated above and from participation in the tender of the NRRP (National

Recovery and Resilience Plan) for the funds (€0.3 billion) allocated for increasing the resilience of infrastructure.

Wildfires

- With regard to fire risk, the business line, consistent with the above policy, is preparing an update of the policy on fire risk prevention, applying an index that evaluates the fire risk of areas based on topological and environmental characteristics (FWI: Fire Weather Index) as a support tool, with projections of scenarios to 2050 on developments in the phenomenon. So far, each country has conducted a study to identify the areas at greatest risk of forest fires. Today, the study also draws on GIS (Geographic Information System) mapping for more precise identification of grids in different environments (protected natural areas, forests, habitats). This makes it possible to adopt even more effective construction or maintenance design measures to prevent fire risk.

Adaptation activities – Enel X Global Retail

In order to address extreme climate events, the Enel X Global Retail Business Line has continued to work on estimating the potential impacts of physical phenomena in order to develop actions to adapt to climate change, identifying the risks and opportunities for priority countries/assets.

An impact analysis was carried out for owned assets, which represent a minority share of the total asset portfolio. At the same time, potential risks and possible resilience solutions are being assessed for business-to-business and business-to-government customers.

The work on adaptation focused on defining a methodology for assessing the vulnerability of Enel X Global Retail assets by extending the studies developed by Enel Green Power and Thermal Generation and Enel Grids for

the assessment and management of acute meteorological events for solar (Distributed Energy PV), storage and public lighting.

For solar, a preliminary climate risk screening was carried out in the countries/assets identified as priorities for material acute events such as extreme winds, heavy rainfall/floods and fire risk. For this technology, the work performed, considering both the results obtained thanks to the preliminary screening and more detailed analyses, does not currently reveal any critical issues related to climate change. The analysis will be extended to sites where new construction is planned. For storage, the work carried out so far finds no critical issues associated with acute climatic events. Finally, the acute phenomena relevant to the public lighting segment are under study.

Introduction of nature-based solutions to Enel X Global Retail's resilience actions

Attention to the effects of climate change is implemented by Enel X Global Retail in both extra-urban and urban spaces with an approach to the challenges of sustainable development inspired and supported by nature. Enel X Global Retail is thus committed to promoting an approach in which the services and products of its commercial offer are integrated with nature-based solutions (NBS), i.e. techniques and design approaches that use nature and processes inspired by it to provide integrated services that enhance the resilience of cities to climate change, mitigating the microclimate, air quality and generally improving the quality of life. To promote NBS, Enel X Global Retail has developed the Enel X "NBS Biodiversity Handbook" and the Enel X "Urban

Biodiversity Scoring Model", which make it possible to integrate NBS solutions in business solutions and assess their positive impact on the climate, natural resources and the human experience.

The introduction of NBS solutions in the Enel X Global Retail product range was rolled out with an extensive set of recommended scientific indicators (published in the Enel X "NBS Handbook for Urban Context") to measure positive impacts and support customers in the adoption of these practices recognized internationally as effective tools for adaptation to acute climate phenomena. In practice, NBS can be integrated with Enel X Global Retail's technological solutions to provide ecocompatible services to support nature. These solutions also contribute to the adaptation and mitigation of climate change and to the improvement of the quality of life in urban centers.

Inclusion of climate change effects in the assessment of new projects

Many activities connected with the evaluation and implementation of new projects can benefit from general and site-specific climate analyses, which the Group is beginning to integrate with those already considered in the evaluation of new projects. For example:

- preliminary studies: in this phase, climate data can serve as a preliminary screening tool, with the analysis of specific climate phenomena, such as those discussed previously in the analysis of physical scenarios, incorporated into indicators such as the Acute Event Risk Index, and synthetic indicators such as the Climate Risk Index, integrated into the Open Country Risk model. These data provide a preliminary measure of the most relevant phenomena in an area among those identified as being relevant for each technology;
- estimation of expected output: the climate scenarios will be progressively integrated to enable the evalua-

tion of how climate change will modify the availability of renewable sources at the specific site. The section "Analysis of the impact of chronic climate change on renewable generation" describes the approach as applied to the entire generation portfolio;

- environmental impact analysis: the Group has begun to integrate a Climate Change Risk Assessment into project documentation. This contains a representation of the main physical phenomena and their expected change in the area;
- resilient design: as noted, the development of resilient assets by design is a key climate change adaptation activity. The Group is working to progressively consider analyses based on climate data, such as the increase in the frequency and intensity of acute events. The latter will integrate existing analyses based on historical data already in use, in order to increase the resilience of future assets, including all necessary adaptation actions over the useful life of a project.

Competitive environment

The analysis of the competitive environment is one of the material elements of the analysis of the context in which the Group operates and defines its business ambitions.

The risks associated with evolutionary developments in the market are also mitigated by the periodic monitoring of the comparative performance at an industrial and financial level of our competitors.

The assessment activity is carried out using a framework designed to (i) identify the most relevant competitors and peers; (ii) analyze their results, the main business drivers, strategic and industrial objectives; and (iii) understand

their current and prospective positioning.

The process of identifying our peer group is periodically updated to ensure timely collection of information, KPIs and reporting elements useful for the Group's positioning and strategic planning activities.

In particular, a comparative assessment of the strategic and industrial plans of competitors is particularly relevant for assessing potential risks deriving from possible changes in the competitive context and, above all, providing economic and industrial benchmarks to help improve the Group's performance.

Financial risks

As part of its operations, Enel is exposed to a variety of financial risks that, if not appropriately mitigated, can directly impact our performance.

In line with the Group's risk catalogue, these risks include the following:



- Interest rate
- Commodity
- Currency
- Credit and counterparty
- Liquidity

The internal control and risk management system (ICRMS) provides for the specification of policies that establish the roles and responsibilities for risk management, monitoring and control processes, ensuring compliance with the principle of organizational separation of units responsible for operations and those in charge of monitoring and managing risk.

The financial risk governance system also defines a sys-

tem of operating limits at the Group and region/country levels for each risk, which are monitored periodically by risk management units. For the Group, the system of limits constitutes a decision-making tool to achieve its objectives.

For further information on the management of financial risks, please see note 49 of the consolidated financial statements.

Interest rate

The Group is exposed to the risk that changes in the level of interest rates could produce unexpected changes in net financial expense or financial assets and liabilities measured at fair value.

The exposure to interest rate risk derives mainly from the variability of the terms of financing, in the case of new debt, and from the variability of the cash flows in respect of interest on floating-rate debt.

The interest rate risk management policy seeks to contain financial expense and its volatility by optimizing the Group's portfolio of financial liabilities and using OTC derivatives.

Risk control through specific processes, risk indicators and operating limits enables us to limit possible adverse financial impacts and, at the same time, to optimize the structure of debt with an adequate degree of flexibility.

Commodity

Enel operates in energy markets and for this reason is exposed to the risk of incurring losses as a result of an increase in the volatility of the prices of energy commodities, such as power, gas and fuel, and other commodities, such as minerals and metals (price risk), or owing to a lack of demand or energy commodity shortages (volume risk).

If not managed effectively, these risks can have a significant impact on results.

To mitigate this exposure, the Group has developed a strategy of stabilizing margins by contracting for supplies of fuel and materials and the delivery of electricity to end users or wholesalers in advance.

Enel has also implemented a formal procedure that provides for the measurement of the residual commodity risk, the specification of a ceiling for maximum acceptable risk and the implementation of a hedging strategy using derivatives on regulated markets and over-the-counter (OTC) markets. The commodity risk control process limits the impact of unexpected changes in market prices on margins and, at the same time, ensures an adequate margin of flexibility that makes it possible to seize short-term opportunities.

In order to mitigate the risk of interruptions in the supply of fuel and raw materials, the Group has diversified fuel sources, using suppliers from different geographical areas.

In 2023, despite the continuing economic strains at the global level owing to the rise in inflation, the Russia-Ukraine and Israel-Palestinian conflicts and climate change, the prices of energy commodities and other raw materials gradually declined, although they remain above their pre-pandemic levels. During the year, the risks recorded by Enel were below the limits set for 2023, which were contained thanks to careful and timely management and mitigation measures, the geographical diversification of our business and supply channels in order to reduce dependence on Russian gas. Finally, the adoption of global and local strategies, such as flexibility in contractual clauses and proxy hedging techniques (in the event that hedging derivatives are not available on the market or are not sufficiently liquid), has made it possible to optimize results even in a highly dynamic market context.

Currency

In view of their geographical diversification, access to international markets for the issuance of debt instruments and transactions in commodities, Group companies are exposed to the risk that changes in exchange rates between the presentation currency and other currencies could generate unexpected changes in the performance and financial aggregates in their respective financial statements. Given the current structure of Enel, the exposure to currency risk is mainly linked to the US dollar and is attributable to:

- cash flows in respect of the purchase or sale of fuel or electricity;
- cash flows in respect of investments, dividends from foreign subsidiaries or the purchase or sale of equity investments;
- cash flows connected with commercial relationships;
- financial assets and liabilities.

The possible impacts of exchange rate risk are reflected in:

- costs and revenue denominated in foreign currencies with respect to the time at which pricing conditions were defined or the investment decision was made (economic risk);
- revaluations or adjustments to fair value of financial assets and liabilities sensitive to exchange rates (transaction risk);
- the consolidation of subsidiaries with different currencies of account (translation risk).

The currency risk management policy is based on systematically hedging the exposures of the Group companies, with the exception of translation risk.

Appropriate operational processes ensure the definition and implementation of appropriate hedging strategies, which typically employ financial derivatives obtained on OTC markets.

Risk control through specific processes and indicators enables us to limit possible adverse financial impacts and, at the same time, to optimize the management of cash flows on the managed portfolios. During the year, currency risk was managed through compliance with the risk management policies, encountering no difficulties in accessing the derivatives market.

Credit and counterparty

The Group's commercial commodity and financial transactions expose it to credit risk, i.e. the possibility that a deterioration in the creditworthiness of counterparties or the failure to discharge contractual payment obligations could lead to the interruption of incoming cash flows and an increase in collection costs (settlement risk) as well as lower revenue flows due to the replacement of the original transactions with similar transactions negotiated on unfavorable market conditions (replacement risk). Other risks include the reputational and financial risks associated with significant exposures to a single counterparty or groups of related customers, or to counterparties operating in the same sector or in the same geographical area.

The exposure to credit risk is attributable to the following types of operations:

- the sale and distribution of electricity and gas in free and regulated markets and the supply of goods and services (trade receivables);
- trading activities that involve the physical exchange of assets or transactions in financial instruments with commodity underlyings (the commodity portfolio);
- trading in derivatives, bank deposits and, more generally, financial instruments (the financial portfolio).

The policy for managing credit risk associated with commercial activities and transactions in commodities provides for a preliminary assessment of the creditworthiness of counterparties and the adoption of mitigation instruments, such as obtaining guarantees.

The control process based on specific risk indicators and, where possible, limits ensures that the economic and financial impacts associated with a possible deterioration in credit standing are contained within sustainable levels. At the same time, this approach preserves the necessary flexibility to optimize portfolio management.

In addition, the Group undertakes transactions to factor receivables without recourse, which results in the complete derecognition of the corresponding assets involved in the factoring.

Finally, with regard to financial and commodity transactions, risk mitigation is pursued through the diversification of the portfolio (giving preference to counterparties with a high credit rating) and the adoption of specific standardized contractual frameworks that contain risk mitigation clauses (e.g., netting arrangements) and possibly the exchange of cash collateral.

During the year, after a temporary deterioration in the collection status of certain customer segments, the situation was restored to the conditions registered the previous year. The Group's portfolio has so far demonstrated resilience to the macroeconomic context and current price scenario. This reflects the expansion of digital collection channels and a solid diversification of the customer base.

Liquidity

Liquidity risk is the risk that the Group, while solvent, would not be able to discharge its obligations in a timely manner or would only be able to do so on unfavorable terms or in the presence of constraints on disinvestment from assets with consequent capital losses, owing to situations of tension or systemic crises (credit crunches, sovereign debt crises, etc.) or changes in the perception of Group riskiness by the market.

Enel's liquidity risk management policy is designed to maintain sufficient liquidity to meet expected commitments over a given time horizon without resorting to additional sources of financing, also retaining a prudential liquidity reserve, sufficient to meet any unexpected commitments. Furthermore, in order to meet its medium- and long-term commitments, Enel pursues a borrowing strategy that provides for a diversified structure of funding sources, which it uses to meet its financial needs, and a balanced maturity profile.

Among the factors that define the risk perceived by the market, the credit rating assigned to Enel by rating agencies plays a decisive role, since it influences its ability to access sources of financing and the related financial terms of that financing. A deterioration in the credit rating could therefore restrict access to the capital market and/or increase the cost of funding, with consequent negative effects on the financial position, financial performance and cash flows of the Group.

In 2023, Enel's risk profile changed compared with December 2022 for Standard & Poor's, whose rating went from "BBB+" with a stable outlook to "BBB" with a stable outlook, and for Moody's, whose rating went from "Baa1" with a stable outlook to "Baa1" with a negative outlook. Fitch maintained its rating at "BBB+" with a stable outlook.

In order to manage liquidity efficiently, treasury activities have largely been centralized at the holding company level, meeting liquidity requirements primarily by drawing on the cash generated by ordinary operations and managing any cash surpluses appropriately.

With regard to the increase in gas prices in 2022 following the Russia-Ukraine conflict and the associated sanctions imposed by the European Union on Russia, which had a major impact on the margins on commodity derivatives, in 2023, liquidity used for margin requirements decreased considerably despite the continuation of the war and the sanctions. At the end of the year, the liquidity risk index monitored for the Group was well within the limits set for 2023.

Digital technology risks

The risks discussed in this section are as follows:



- Cyber security
- Digitalization, IT effectiveness and service continuity

Cyber security

The speed of technological developments that constantly generate new challenges, the ever-increasing frequency and intensity of cyber-attacks and the attraction of critical infrastructures and strategic industrial sectors as targets underscore the potential risk that, in extreme cases, the normal operations of companies could grind to a halt. Cyber-attacks have evolved dramatically in recent years: their number has grown exponentially, as has their complexity and impact. In the case of the Enel Group, this exposure reflects the many environments in which it operates (data, industry and people), a circumstance that accompanies the intrinsic complexity and interconnection of the digital resources that over the years have been increasingly integrated into the Group's daily operating processes. In this context, it is clear that cyber risk must be managed promptly and in an integrated manner. In short, technological transformation could not exist without paying great attention to cyber security.

To manage cyber risk, the Group has developed a Cyber Security operating model and a related framework of processes. Specifically, the operating model defines roles and responsibilities for the implementation of the framework processes, establishing an *ad hoc* unit headed by the CISO (Chief Information Security Officer) and integrated into the Group's business areas. In addition, the Group has designed and adopted a framework of holistic processes to manage cyber-security issues that is applied to all the sectors of IT (Information Technology), OT (Operational Technology) and IoT (Internet of Things). The framework sets out a governance model based on the commitment of top management, on global strategic management, on the involvement of all business areas as well as of the units involved in the implementation of our IT, OT and IoT systems, constituting a solid foundation for the full merger of technologies, processes and people. The framework is based on two essential pillars: a "risk-based approach" and "cyber security by design". The former establishes that risk assessment is the prerequisite for strategic decisions and the development and safe maintenance of all assets within the organization; the latter ensures the adoption of cyber security principles from the beginning and throughout the entire life cycle of solutions, services and infrastructures in all areas, i.e. IT, OT and IoT. In applying the framework, a cyber risk management approach has been defined, applicable to all IT, OT and IoT environments. It comprises all the phases necessary to perform risk analysis and define related mitigation plans, consistent with the established cyber-security objectives. To balance the advantages of using IT/OT/IoT systems against the risk that they may engender, well-informed risk-based decisions are essential.

Enel has also created its own Cyber Emergency Readiness Team (CERT) in order to proactively respond to any IT security incidents.

In order to measure the possible financial impact of cyber risks and manage them more effectively, Enel has developed a Cyber Value-at-Risk ("Cyber V@R Enel Group®") methodology, which is being evolved as a metric to calculate Value-at-Risk in various attack scenarios.

Digitalization, IT effectiveness and service continuity

The Group is carrying out a complete digital transformation of how it manages the entire energy value chain, developing new business models and digitizing its business processes, integrating systems and adopting new technologies. A consequence of this digital transformation is that the Group is increasingly exposed to risks related to the functioning of the IT systems, which are integrated across the Company with impacts on processes and operations, which could expose IT and OT systems to service interruptions or data losses.

These risks are managed using a series of internal measures developed by the Group to guide the digital transformation. It has set up an internal control system that introduces control points along the entire IT value chain, enabling us to prevent the emergence of risks engendered by such issues as the creation of services that do not meet business needs, the failure to adopt adequate security measures and service interruptions. The internal control system oversees both the activities performed in-house and those outsourced to external associates and service providers. Furthermore, Enel is promoting the dissemination of a digital culture and digital skills within the Group in order to successfully guide the digital transformation and minimize the associated risks.

Operational risks

The risks discussed in this section are as follows:



- Health and safety
- Environment
- Procurement, logistics and supply chain
- People and organization

Health and safety

Generating a strong and sustainable safety culture shared by all members of the organization is a strategic objective. For this reason, Enel is committed to developing increasingly sound and safe processes, conditions and working environments for its employees, for the companies that work with it, for its customers and for all the other communities with which it interacts every day, promoting dedicated training courses as well.

The main health and safety risks to which the employees of Enel and its contractors are exposed are attributable to performing operational activities at the Group's sites and assets. These risks may vary or even change depending on economic and social trends, as well as the introduction of digitalization into operational processes and activities. Another type of health and safety risk is connected with non-compliance with applicable laws and regulations. This can impact on health and safety and lead to administrative or judicial penalties, and thus produce financial and reputational impacts on the Enel Group.

For this reason, each Group business line had adopted its own Health and Safety Management System compli-

ant with the international UNI ISO 45001 standard, which also considers the rigor employed in the selection and management of contractors and suppliers. The management system is based on the identification of threats, the qualitative and quantitative assessment of risks, including financial and reputational risks, the planning and implementation of prevention and protection measures, the verification of the effectiveness of such measures and any corrective actions. These systems make it possible to ensure regulatory compliance, to verify the effectiveness of processes and related remedial actions and, finally, to ensure the dissemination of a "risk-based" approach as well as a robust organizational and individual culture in health and safety issues. The key documentation of these systems is represented by the Group's Health and Safety Policy, developed in cooperation with the Board of Directors and signed by the CEO. It sets out the guiding principles, strategic objectives, approach and action lines and priorities for continuous improvement of workplace health and safety performance.

From an operational standpoint, health and safety risks are assessed specifically for each site or asset on the basis of

the activities performed by workers and external environmental conditions. This assessment enables us to identify prevention and protection measures for safety in the workplace and to plan their implementation, improvement and control in order to verify their effectiveness and efficiency. At Group level, an analysis of events in the last three years shows that, in terms of probability of occurrence, mechanical incidents (falls, collisions, crushing and cuts) are the most common, while the most severe in terms of potential associated impact are electrical incidents, which may involve fatalities, life changing accidents or high-potential incidents, the latter of which differ from fatal and life changing events only in their outcome for the worker but not their dynamics.

Enel uses an inspection process to conduct the continuous monitoring of behavior and compliance with procedures and work methods in the field to ensure the effective management of risks to the workplace health and safety of both internal staff and external contractors. The process is managed both by internal staff and certified third-party companies and is designed to identify risk situations (non-compliance) and the related plans containing remedial actions, including training courses, coaching and dissemination of the safety culture.

As regards contractors specifically, Enel's approach is to consider them as partners in embracing the key principles of health and safety for its workers, who are therefore considered on a par with internal employees in the application of these principles and in their attention to workplace health and safety issues. Therefore, safety is integrated into the procurement process, and contractor performance is monitored both in the preliminary phase, using the qualification system, and in the contract execution phase, through numerous control processes and tools such as the Contractor Assessment (analyses of

contractors in the qualification phase or in cases where critical issues or low scores emerge in the evaluation of the indicators) or the Evaluation Groups (periodic inter-functional meetings conducted across all global business lines and geographical areas in order to evaluate the safety performance of suppliers and decide consequence management actions).

In addition to procedural and operational aspects, another important driver in the correct management of health and safety risks is linked to training, awareness and information activities. To encourage the growth of technical skills and a safety culture, supporting change processes and responding in a timely manner to the needs that emerge from the business, the Enel Group has developed a structured training management process, which is designed to transform knowledge into skills and therefore into behavior.

Enel also fosters the systematic dissemination of information and awareness among personnel through a variety of company channels, such as news on the intranet, information emails, newsletters and magazines. We periodically conduct surveys to collect feedback from our people on process improvement and undertake communication initiatives to raise awareness among all workers about the observance of safety procedures and to create moments of collective reflection on the dynamics and causes of serious or fatal accidents.

Finally, Enel is also constantly engaged in dialogue with international top players in the energy sector and beyond, through participation in inter-company working groups to ensure continuous improvement by sharing best practices in the health and safety field, examining both operational processes and innovative initiatives.

Environment

Over the past few years, society has acquired a growing awareness of the risks deriving from development models that generate impacts on the environment and ecosystems, with a particular emphasis on global warming and ever-increasing exploitation and degradation of water resources. These impacts have triggered increased concern for environmental quality and ecosystem health, with greater awareness of the associated risks.

An analysis of environmental risks connected with Enel's activities was conducted using an integrated and multi-functional approach, based on the results of the materiality analysis for impacts and dependencies. The assessment helped identify the main operational and financial risks associated with the environmental and social impacts of the

various activities and technologies involved in our business, including the impact of the occupation of land and the transformation of ecosystems, the depletion of natural resources, including the impact of water scarcity, and the pollution of environmental matrices.

In addition to operational risks, the assessment also regarded reputational and transitional risks resulting from possible changes to the regulatory, technological or market framework and the associated opportunities.

Enel is committed to the prevention and minimization of environmental impacts and risks in all its operations and over the entire life cycle of projects. The adoption of ISO 14001-certified environmental management systems across the entire Group ensures the implementation of

structured policies and procedures to identify and manage environmental risks and opportunities. A structured control plan combined with improvement actions and objectives inspired by the best environmental practices mitigates the potential impacts on the environment and consequent reputational damage and litigation. Enel has also undertaken a multitude of actions to achieve challenging environmental improvement objectives, such as those regarding atmospheric emissions, waste production and water consumption, especially in areas with high water stress, and impacts on natural habitats and species. The impact on areas of high water stress is directly mitigated by Enel's development strategy, which is based on the growth of generation from renewable sources that are essentially not dependent on the availability of water for

their operation, as well as the adoption of advanced solutions to reduce consumption in traditional thermal plants. As regards ecosystems, Enel adopts measures to protect and conserve biodiversity and natural habitats, following the mitigation hierarchy (avoid, minimize, restore and offset) and monitoring the effectiveness of the actions. Collaboration with local water basin management authorities fosters the adoption of shared strategies for the sustainable management of hydroelectric generation assets.

Enel also actively participates in the international debate on nature and biodiversity issues with influential stakeholders and networks, such as Business for Nature, the Taskforce on Nature-related Financial Disclosure, the World Business Council for Sustainable Development and Science Based Targets for Nature.

Procurement, logistics and supply chain

The purchasing processes of Global Procurement and the associated governance documents form a structured system of rules and control points that make it possible to combine the achievement of economic business objectives with full compliance with the fundamental principles set out in the Code of Ethics, the Enel Global Compliance Program, the "Zero-Tolerance-of-Corruption" Plan and the Human Rights Policy, without renouncing the promotion of initiatives for sustainable economic development. These principles have been incorporated into the organizational processes and controls that Enel has voluntarily decided to adopt in order to establish relationships of trust with all its stakeholders, as well as define stable and constructive relationships that are not based exclusively on ensuring financial competitiveness but also take account of best practices in essential areas for the Group, such as the avoidance of child labor, occupational health and safety and environmental responsibility. Thanks to the greater interaction and integration with the outside world and with the different parts of the corporate organization, the procurement process has assumed an increasingly central role in the creation of value.

Global Procurement contributes to create a resilient and sustainable supply chain, calling on all of us to think from a circular economy perspective and fostering innovation, sharing the Group's values and objectives with suppliers who thereby become enablers of the achievement of Enel's targets. More specifically, tenders can incorporate incentives or mandatory requirements to produce virtuous behavior on the part of our suppliers. These include: 1) incentives connected with the measurement and reduction of the carbon footprint of suppliers, which encourage them to undertake improvements; 2) incentives connected with social aspects, such as the training and employment of people belonging to local communities and ac-

tions aimed at respecting gender diversity; 3) mandatory requirements concerning human rights, which involves mapping the potential supply chain involved in the supply of strategic product categories.

From the point of view of the procurement process, the various units adopt the tender mechanism, thus ensuring maximum competition and equal access opportunities for all operators who are in possession of the technical, economic/financial and environmental requirements, security, human, legal and ethical rights. Procurement with direct assignment and without a competitive procedure can only take place in exceptional cases, duly motivated, in compliance with current legislation on the matter.

Furthermore, the single global supplier qualification system for the entire Enel Group, even before the procurement process begins, verifies that potential suppliers who intend to participate in procurement procedures are aligned with the Company's strategic vision and policies.

With regard to the risk governance system, Global Procurement is focused on the application of metrics that indicate the level of risk before and after the mitigation action, in order to implement precautionary measures to reduce uncertainty to a tolerable level or mitigate any impacts in all business, technological and geographical areas.

The effectiveness of supply chain risk management is monitored through specific indicators that assess a variety of factors – including the probability of insolvency, the concentration of contracts with individual suppliers or industrial groups, the supplier's dependence on Enel, a performance indicator for the correctness of conduct during the tender, quality, punctuality and sustainability in the execution of the contract, country risk, etc. – for which

thresholds have been specified to guide the definition of the procurement, negotiation and tender award strategy, enabling informed choices of risk and potential benefit.

In order to counter the consequences of the geopolitical situation in Ukraine, which has increased market volatility and further stressed the supply chain, already strained during the COVID-19 pandemic, during which Enel worked

to differentiate supply sources to avoid interruptions in the supply chain, Global Procurement constantly monitors activities related to the supply/logistics chain, with the active participation of our suppliers, through a specific contractual monitoring obligation, to mitigate the risks associated with market shortages, logistical issues and business interruptions.

People and organization

The profound social, economic, demographic and cultural transformations we are experiencing, from the energy transition to the processes of digitalization and technological innovation and the rapid diffusion of artificial intelligence systems, also have a profound effect on the world of work, renewing its paradigms and imposing major cultural and organizational changes, which require new professional qualifications and skills.

In order to deal with change, it is essential to act inclusively, placing the Person at the center in his or her social and work dimension, with adequate tools to cope with this epochal transformation.

Organizations are increasingly called upon to move towards new agile and flexible work and business models that are sustainable along the entire value chain. It is also essential to adopt policies to enhance the diversity and talents of each person, understanding that the contribution of the individual represents an essential element for the creation of widespread and shared value.

The centrality of the Person, constant listening, sharing, enhancement of the entrepreneurial capacities of individuals, involvement, are some of the keywords that guide our way of working and experiencing the Company.

Thanks to an ever more efficient and streamlined organization and operational simplification, the management of human capital and the centrality of the Person are playing a key role in the implementation of the Group's industrial strategy, acting as an enabling factor to which specific

objectives are linked, including: the ongoing development of skills and competences; the promotion of reskilling and upskilling for our people (continuous, personalized, flexible, accessible and transversal) in order to enable each of us to effect change and be a protagonist with our distinctive contribution to achieving results while guaranteeing greater satisfaction for people, understood as motivation and well-being; the development of systems for evaluating the working environment and performance; the dissemination and rigorous assessment of the effects of diversity and inclusion policies in all countries in which the Group operates, as well as instilling an inclusive organizational culture based on the principles of non-discrimination and equal opportunity, key drivers for attracting and retaining talent.

The Group is involved in enhancing the resilience and flexibility of organizational models through organizational and procedural simplification and the digitalization of processes in order to enable the autonomy and accountability of individuals and teams by strengthening people empowerment processes and fostering an entrepreneurial approach that values people's talents, attitudes and aspirations. The hybrid working method and the promotion of internal mobility, as well as the use of innovative and flexible organizational models, are tools aimed precisely at supporting this evolution of organizational culture on the basis of trust and responsibility, proactiveness and entrepreneurship.

Compliance risks

The risks discussed in this section are as follows:



- Data protection

Risks connected with the protection of personal data

The Group, which is present in more than 43 countries, has the largest customer base in the public services sector (more than 70 million customers), and currently employs about 61,000 people. Consequently, the Group's business model requires the management of an increasingly large and growing volume of personal data in order to achieve the financial and business results envisaged in the 2024–2026 Strategic Plan.

This exposes Enel to the risks connected with the protection of personal data. These risks may result in the loss of confidentiality, integrity or availability of the personal information of our customers, employees and others, with

the risk of incurring fines determined on the basis of global turnover, the prohibition of the use of certain processes and consequent financial losses and reputational harm.

In order to manage and mitigate this risk, Enel has adopted a model for the global governance of personal data, with the appointment of personnel responsible for privacy issues at all levels (including the appointment of Data Protection Officers at the global and country levels) and digital compliance tools to map applications and processes and manage risks with an impact on protecting personal data, in compliance with specific local regulations in this field.





REPORT ON OPERATIONS

4. GROUP PERFORMANCE

- **Solid results in 2023, with ordinary EBITDA of €22 billion (+11.6%) and an ordinary net profit of €6.5 billion (+20.7%)**

The increase is mainly attributable to the positive performance of the integrated businesses and distribution activities, net of changes in the consolidation scope and Stewardship transactions compared with the previous year.

- **Net financial debt/ordinary EBITDA at about 2.7x (compared with 3.1x at end-2022)**

Positive cash flows generated by operations, the sale of a number of investments no longer considered strategic, the effects of the issue of perpetual hybrid subordinated non-convertible bonds and the recognition of investment grants more than offset for cash requirements of investment in the period and the payment of dividends.

- **A simple, predictable and attractive dividend policy**

The total dividend proposed for the 2023 financial year is equal to €0.43 per share (of which €0.215 per share already paid as an interim dividend in January 2024), an increase of 7.5% compared with the total dividend of €0.40 per share paid for the 2022 financial year.

DEFINITION OF PERFORMANCE MEASURES

In order to present the performance of the Group and analyze its financial structure, separate reclassified schedules have been prepared that differ from the schedules envisaged under the IFRS-EU adopted by the Group and contained in the consolidated financial statements. These reclassified schedules contain different performance measures from those obtained directly from the consolidated financial statements, in line with the ESMA Guidelines on Alternative Performance Measures (ESMA/2015/1415) published on October 5, 2015. Management believes that these measures are useful in monitoring the performance of the Group and representative of the financial performance and position of our business, ensuring greater comparability over time.

With regard to those measures, on April 29, 2021, CONSOB issued warning notice no. 5/2021, which gives force to the Guidelines issued on March 4, 2021, by the European Securities and Markets Authority (ESMA) on disclosure requirements under Regulation (EU) 2017/1129 (the Prospectus Regulation), which took effect on May 5, 2021 and replace the references to the CESR Recommendations and those contained in Communication no. DEM/6064293 of July 28, 2006 regarding the net financial position.

The Guidelines update the previous CESR Recommendations (ESMA/2013/319, in the revised version of March 20, 2013) with the exception of those concerning the special issuers referred to in Annex no. 29 of Delegated Regulation (EU) 2019/980, which were not converted into Guidelines and remain applicable.

The Guidelines are intended to promote the usefulness and transparency of alternative performance measures included in regulated information or prospectuses within the scope of application of Directive 2003/71/EC in order to improve their comparability, reliability and comprehensibility.

In line with the regulations cited above, the criteria used to construct these measures for the Enel Group are the following.

Gross operating profit (EBITDA): an operating performance indicator, calculated as the sum of "Operating profit", "Net impairment/(reversals of impairment) on

trade receivables and other receivables" and "Depreciation, amortization and other impairment".

Ordinary gross operating profit (ordinary EBITDA): defined as "Gross operating profit" from core businesses connected with the Ownership, Partnership and Stewardship business models with which the Group operates plus the ordinary gross operating profit of discontinued operations where present. It does not include costs connected with corporate restructurings and "Extraordinary solidarity levies" imposed by local foreign governments on energy companies.

Ordinary operating profit: defined as "Operating profit" plus the ordinary operating profit of discontinued operations, excluding the effects of transactions not connected with core operations referred to with regard to ordinary gross operating profit. It also excludes significant impairment losses (including reversals of impairment losses) on assets and/or groups of assets following an assessment of the recoverability of their carrying amount under the provisions of "IAS 36 - Impairment of assets" or "IFRS 5 - Non-current assets held for sale and discontinued operations".

Group ordinary profit: it is determined by adjusting "Group profit" for the items discussed under "Ordinary operating profit", taking account of any tax effects and non-controlling interests.

Also excluded are a number of financial components not strictly attributable to the Group's core business operations and the extraordinary solidarity levy imposed on energy companies in Italy.

Net non-current assets: calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

- "Deferred tax assets";
- "Other non-current financial assets included in net financial debt" included in "Other non-current financial assets";
- "Long-term borrowings";
- "Employee benefits";
- "Provisions for risks and charges (non-current portion)";

- “Deferred tax liabilities”;
- “Other non-current financial liabilities”.

Net working capital: calculated as the difference between “Current assets” and “Current liabilities” with the exception of:

- “Current financial assets included in net financial debt” included in “Other current financial assets”;
- “Cash and cash equivalents”;
- “Short-term borrowings” and the “Current portion of long-term borrowings”;
- “Provisions for risks and charges (current portion)”;
- “Other current financial liabilities included in net financial debt” included in “Other current financial liabilities”.

Net assets held for sale: calculated as the algebraic sum of “Assets classified as held for sale” and “Liabilities included in disposal groups classified as held for sale”.

Net capital employed: calculated as the sum of “Net non-current assets” and “Net working capital”, “Provisions for risks and charges”, “Employee benefits”, “Deferred tax liabilities” and “Deferred tax assets”, as well as “Net assets held for sale”.

Net financial debt: a financial structure indicator, determined by:

- “Long-term borrowings”, “Short-term borrowings”, “Current portion of long-term borrowings”, “Other non-current financial liabilities” and “Other current financial liabilities included in net financial debt” included in “Other current financial liabilities”;
- net of “Cash and cash equivalents”;
- net of “Current financial assets included in net financial debt” included in “Other current financial assets”, which include: (i) the current portion of long-term loan assets, (ii) securities, (iii) loan assets and (iv) other current financial assets;
- net of “Non-current financial assets included in net financial debt” included in “Other non-current financial assets”, which include (i) securities and (ii) financial assets.

More generally, the net financial debt of the Enel Group is reported in accordance with Guideline 39, issued on March 4, 2021 by ESMA, applicable as from May 5, 2021, and with the above warning notice no. 5/2021 issued by CONSOB on April 29, 2021.

A reconciliation of the Group’s financial debt as determined with the criteria indicated above and the financial debt determined in accordance with the criteria of CONSOB Communication no. DEM/6064293 of July 28, 2006 is reported in note 47 to the consolidated financial statements.

Main changes in the consolidation scope

In the two periods under review, the consolidation scope changed. For more information, please see note 9 “Main acquisitions and disposals in the year” of the consolidated financial statements.



PERFORMANCE OF THE GROUP

207.33 TWh

NET ELECTRICITY GENERATION⁽¹⁾

of which 126.98 TWh of renewable generation

45.2 million

END USERS WITH ACTIVE SMART METERS

digitalized end users equal to 64.3%

68.2%

NET EFFICIENT INSTALLED RENEWABLES CAPACITY

for a total of 55.5 GW

1.9 million km

ELECTRICITY DISTRIBUTION AND TRANSMISSION GRID

61.1 million

RETAIL CUSTOMERS

of which 24.3 million on the free market

24,281 no.

PUBLIC CHARGING POINTS⁽²⁾

+20.1% on 2022⁽³⁾

- (1) If net generation operated through joint ventures were also included, total generation at December 31, 2023 would amount to 220.6 TWh; similarly, generation from renewable sources would be equal to 140.3 TWh at December 31, 2023 (123.7 TWh at December 31, 2022).
 (2) If the figures also included charging points operated through joint ventures, the totals would amount to 25,337 at December 31, 2023 and 22,617 at December 31, 2022.
 (3) The figure for 2022 reflects a more accurate calculation of the aggregate.

The following is a description of the Group's operating and environmental performance.

Operations

SDG	2023	2022	Change
Net electricity generation (TWh) ⁽¹⁾	207.33	227.77	(20.44)
of which:			
7 - renewable (TWh) ⁽¹⁾	126.98	112.45	14.53
Total net efficient installed capacity (GW)	81.4	84.6	(3.2)
7 Net efficient installed renewables capacity (GW)	55.5	53.6	1.9
7 Net efficient installed renewables capacity (%)	68.2%	63.3%	4.9%
7 Additional efficient installed renewables capacity (GW)	4.03	4.96	(0.93)
9 Electricity transported on Enel's distribution grid (TWh)	489.2	507.5 ⁽²⁾	(18.3)
9 End users with active smart meters (no.) ⁽³⁾	45,172,959	45,824,963	(652,004)
9 Electricity distribution and transmission grid (km)	1,899,419	2,024,038	(124,619)
End users (no.)	70,291,727	72,655,170	(2,363,443)
Electricity sold by Enel (TWh)	300.9	321.1	(20.2)
Gas sold to end users (billions of m ³)	8.3	10.2	(1.9)
Retail customers (no.)	61,118,024	66,784,895	(5,666,871)
- of which free market	24,320,725	27,864,392	(3,543,667)
11 Demand response capacity (MW)	9,588	8,476	1,112
11 Public charging points (no.) ⁽⁴⁾	24,281	22,112 ⁽²⁾	2,169
11 Storage (MW)	1,730	760	970

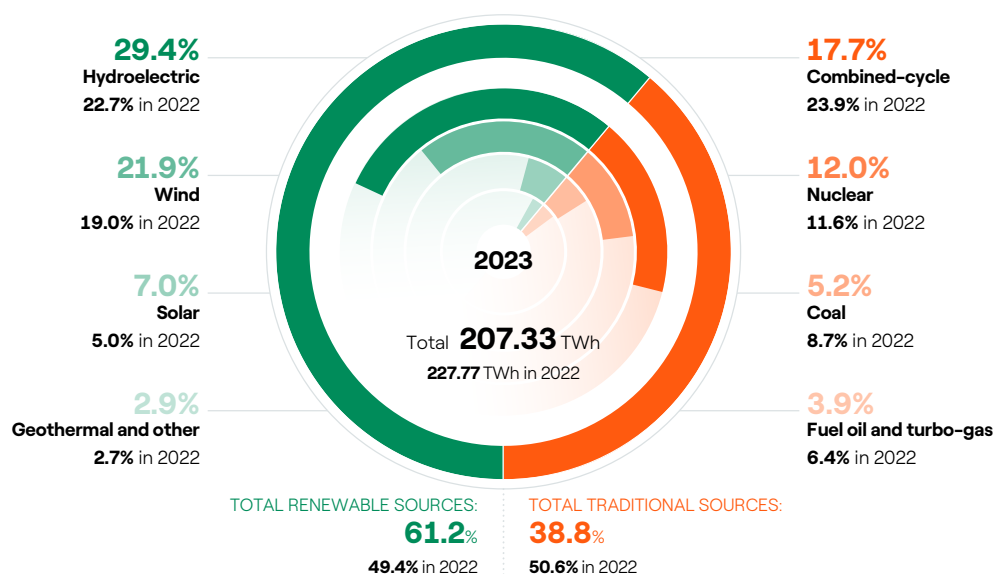
- (1) If net generation operated through joint ventures were also included, total generation at December 31, 2023 would amount to 220.6 TWh; similarly, generation from renewable sources would be equal to 140.3 TWh at December 31, 2023 (123.7 TWh at December 31, 2022).
 (2) The figure for 2022 reflects a more accurate calculation of the aggregate.
 (3) Of which 28.7 million second-generation smart meters in 2023 and 25.2 million in 2022.
 (4) If the figures also included charging points operated through joint ventures, the totals would amount to 25,337 at December 31, 2023 and 22,617 at December 31, 2022.

Net electricity generated by Enel in 2023 decreased by 20.44 TWh compared with 2022, the result of lower thermal generation (-34.97 TWh) essentially due to a reduction in quantities generated by fuel oil and turbo-gas plants (-6.63 TWh) and combined-cycle plants (-17.73 TWh), taking into account the divestment of operations in Russia, Argentina (Enel Generación Costanera and Central Sud Dock) and Brazil (Central Geradora Termelétrica Fortaleza

- CGTF), as well as the decrease in coal generation (-8.97 TWh), mainly in Italy.

The increase in generation from renewable sources (14.53 TWh) is essentially attributable to greater hydroelectric generation (9.26 TWh), which benefited from greater water availability in several countries, and to solar generation (3.30 TWh), mainly in Chile, the United States and Iberia.

NET ELECTRICITY GENERATION BY SOURCE (2023)

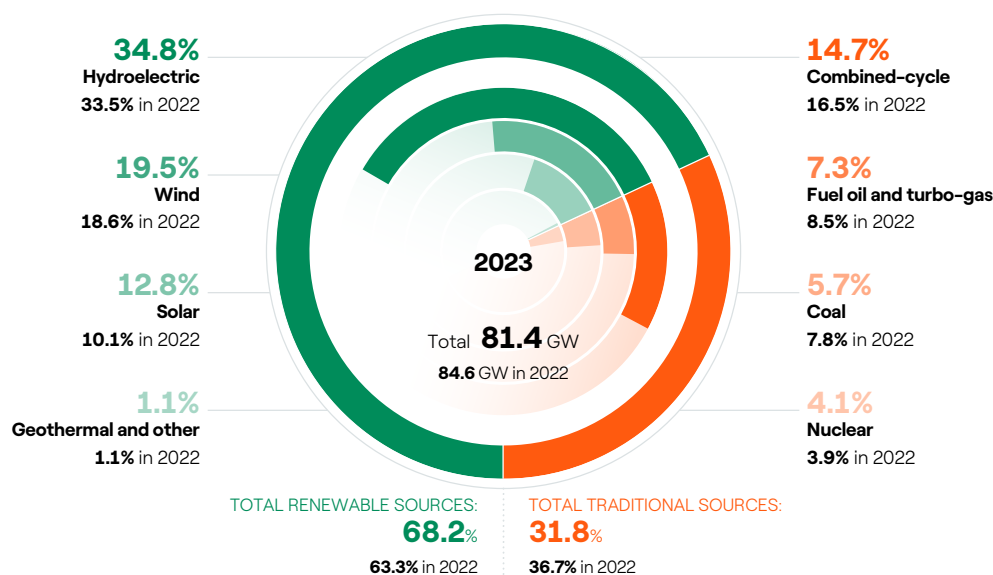


At the end of December 2023, the Group's **net efficient installed capacity** totaled 81.4 GW, a decrease of 3.2 GW from 2022.

As mentioned in relation to electricity generation, the reduction in net efficient generation capacity is also mainly attributable to the sale of thermal generation assets in

Argentina. However, this decrease was mitigated by the increase in net efficient renewables capacity (+1.9 GW) as a result of renewable energy investments made by the Group during the year (+4.03 GW), which was partly offset by plant disposals in Romania, Greece, Australia, Chile and India.

NET EFFICIENT INSTALLED CAPACITY BY SOURCE (2023)



At the end of December 2023, the Group's **net efficient installed renewables capacity** reached 55.5 GW, an increase

of 1.9 GW compared with 2022, and represents 68.2% of total net efficient installed capacity.

Electricity distribution and access, ecosystems and platforms

		2023	2022	Change	
Electricity transported on Enel's distribution grid	TWh	489.2	507.5 ⁽¹⁾	(18.3)	-3.6%
SAIDI	average minutes	2176	230.5 ⁽¹⁾	(12.9)	-5.6%
SAIFI	average no.	2.5	2.6	(0.1)	-3.8%
End users with active smart meters (no.) ⁽²⁾	no.	45,172,959	45,824,963	(652,004)	-1.4%
Digital end users	%	64.3	63.1	1.2	1.9%
Electricity sold by Enel	TWh	300.9	321.1	(20.2)	-6.3%
- of which free market	TWh	194.5	198.3	(3.8)	-1.9%
Retail customers	no.	61,118,024	66,784,895	(5,666,871)	-8.5%
- of which free market	no.	24,320,725	27,864,392	(3,543,667)	-12.7%
Natural gas sales	millions of m ³	8,324	10,243	(1,919)	-18.7%
Public charging points ⁽³⁾	no.	24,281	22,112	2,169	9.8%
Demand response capacity	MW	9,588	8,476	1,112	13.1%
Storage	MW	1,730	760	970	-

(1) The figure for 2022 reflects a more accurate calculation of the aggregate.

(2) Of which 28.7 million second-generation smart meters in 2023 and 25.2 million in 2022.

(3) It should be noted that the figures shown, if they also included the charging points of the companies managed in joint ventures, would amount to 25,337 at December 31, 2023, and 22,617 at December 31, 2022.

Electricity transported on Enel's distribution grid amounted to 489.2 TWh in 2023, a decrease of 18.5 TWh (-3.6%) compared with the previous year, mainly attributable to Brazil (-11.6 TWh), especially for the sale of Celg Distribuição SA - Celg-D (Enel Goiás) at the end of 2022, as well as the decrease in quantities in Italy (-6.3 TWh), Chile (-3.1 TWh) and Romania (-3.0 TWh) due to the changes in the consolidation scope. These effects were slightly offset by increases in Spain (+4.7 TWh).

The number of **Enel end users with active smart meters** decreased by 652,004 in 2023 due to the deconsolidation of operations in Romania (a decrease of 1,285,969). These effects were partially offset by increases in Brazil (+412,667), Italy (+129,439) and Spain (+87,218).

Electricity sold by Enel in 2023 came to 300.9 TWh, decreasing by 20.2 TWh (-6.3%) compared with the previous year.

The decrease in the volumes of electricity sold in 2023 was mainly concentrated on the regulated market in Brazil (-9.7 TWh), as a result of the sale of Enel Goiás, and in Italy (-6.8 TWh) with the ongoing transition of customers to the free market, due in part to the pending elimination of the enhanced-protection market set for June 2024.

With regard to the free market, volume decreases were seen mainly in Italy (-3.1 TWh) and Spain (-0.6 TWh), partially offset by increases in Brazil (+2.2 TWh) and Chile (+0.6 TWh).

In addition, **natural gas sales** in 2023 amounted to 8,324 million cubic meters, down 1,919 million cubic meters compared with the previous year, mainly in Spain (down 1,107 million cubic meters) and in Italy (down 577 million cubic meters).

Active **public charging points** for electric cars at December 31, 2023 numbered 24,281, an increase of 2,169 compared with 2022, mainly in Spain (+1,824) and in Italy (+846).

Demand response capacity in 2023 amounted to 9,588 MW, an increase of 1,112 MW compared with the previous year, mainly in Japan (+494 MW), North America (+273 MW) and Italy (+256 MW).

Finally, **storage** at December 31, 2023 amounted to 1,730 MW, an increase of 970 MW due mainly to the installation of new batteries at renewable energy plants (+931 MW), mainly in North America (+736 MW) and Italy (+159 MW).

Fighting climate change and ensuring environmental sustainability

35.4 million m³

TOTAL WATER CONSUMPTION

-21.7% on 2022

73.2%

ZERO-EMISSIONS GENERATION

(% of total)

€17,982 million

ORDINARY EBITDA FROM LOW-CARBON PRODUCTS, SERVICES AND TECHNOLOGIES⁽¹⁾

€12,837 million

CAPITAL EXPENDITURE ON LOW-CARBON PRODUCTS, SERVICES AND TECHNOLOGIES

(1) Ordinary EBITDA for low-carbon products, services and technologies represents the ordinary gross operating margin of the low-carbon products, services and technologies included in the following business lines: Enel Green Power, Enel Grids, Enel X and End-user Markets (excluding gas).

Main climate change indicators

		2023	2022	Change	
Direct greenhouse gas emissions - Scope 1	MtCO _{2eq}	34.51	53.07	(18.56)	-35.0%
Indirect greenhouse gas emissions - Scope 2 - location based ⁽¹⁾	MtCO _{2eq}	3.28	3.82	(0.54)	-14.1%
Indirect greenhouse gas emissions - Scope 2 - market based ⁽¹⁾	MtCO _{2eq}	4.51	5.10	(0.59)	-11.6%
Indirect greenhouse gas emissions - Scope 3 ⁽²⁾	MtCO _{2eq}	56.53	71.04	(14.51)	-20.4%
- of which emissions connected with gas sales ⁽²⁾	MtCO _{2eq}	16.79	20.63	(3.84)	-18.6%
Intensity of Scope 1 GHG emissions related to power generation ⁽³⁾	gCO _{2eq} /kWh	160	229	(69)	-30.1%
Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power ⁽⁴⁾	gCO _{2eq} /kWh	168	210	(42)	-20.0%
Specific emissions of SO ₂	g/kWh _{eq}	0.09	0.07	0.02	28.6%
Specific emissions of NO _x	g/kWh _{eq}	0.26	0.32	(0.06)	-18.8%
Specific emissions of particulates	g/kWh _{eq}	0.006	0.005	0.001	20.0%
Zero-emission generation as percentage of total	%	73.2	61.0	12.2	20.0%
Total direct fuel consumption	Mtoe	19.3	26.5	(7.2)	-27.2%
Average efficiency of thermal plants ⁽⁵⁾	%	42.0	42.8	(0.8)	-1.9%
Water withdrawals in water-stressed areas	%	23.3	19.3	4.0	20.7%
Total specific withdrawals of fresh water	l/kWh	0.20	0.23	(0.03)	-13.0%
Reference price of CO ₂	€/ton	71	86	(15)	-17.4%
Ordinary EBITDA from low-carbon products, services and technologies ⁽⁶⁾	millions of €	17,982	13,900	4,082	29.4%
Capital expenditure on low-carbon products, services and technologies	millions of €	12,837	13,351	(514)	-3.8%
Ratio of capex for low-carbon products, services and technologies to total	%	94.6	92.1	2.5	2.7%

- (1) The figure for 2022 has been adjusted to reflect an update in the methodology for calculating energy consumption in distribution assets and an update of the emission factors of national electricity systems.
- (2) The figure for 2022 has been adjusted to reflect an update in the calculation methodology based on the calorific value of natural gas sold to end users and an update of the emission factors of national electricity systems.
- (3) KPI corresponding to the target certified by the SBTi in 2022, calculated considering direct emissions (Scope 1) from electricity generation compared with total renewable, nuclear and thermoelectric generation, excluding pumped production. The figure for 2022 has been adjusted to reflect an update of the emission factors of national electricity systems.
- (4) KPI corresponding to the target certified by the SBTi in 2022, calculated considering direct emissions (Scope 1) from electricity generation and indirect emissions from the purchase of electricity for sale to end users (Scope 3) as a ratio to the total of renewable, nuclear and thermoelectric production, excluding pumped production, and also electricity purchased.
- (5) The calculation does not consider Italian O&G plants being decommissioned or of marginal impact. Average efficiency is calculated on the basis of the plant fleet and is weighted by generation.
- (6) Ordinary EBITDA for low-carbon products, services and technologies represents the ordinary gross operating margin of the low-carbon products, services and technologies included in the following business lines: Enel Green Power, Enel Grids, Enel X and End-user Markets (excluding gas).

In 2023, **total direct and indirect emissions** (i.e. Scopes 1, 2 and 3) amounted to 94.3 MtCO_{2eq}, an all-time low, reversing the rising trend seen in 2021 and 2022 following the global energy crisis. More specifically, total emissions decreased by 26.3% compared with 2022 (127.9 MtCO_{2eq}). This was mainly due to an overall improvement in the main operational performance measures, which have helped to reduce direct and indirect emissions throughout the entire value chain, including a 38% reduction in thermal generation due to lower coal and CCGT generation in Italy and Iberia and the sale of thermal plants in Russia in 2022 and in Argentina in 2023, the 19% volume reduction in natural gas sold to end users, and the 24% reduction in the ratio of greenhouse gas emissions to supply chain spending compared with 2022. In addition, the digitalization and automation of electricity grids have also helped to reduce grid losses and enable the development of renewables, thereby playing a key role in the Group's decarbonization efforts, as well as in the decarbonization of the energy systems in which the Group operates.

Scope 1 GHG emissions amounted to 34.51 MtCO_{2eq} in 2023, representing 36.6% of total GHG emissions, down 35% compared with the 53.07 MtCO_{2eq} of 2022. Of the total, 94.9% of these emissions are linked to the process of burning fuels for electricity generation, which has benefited from the reduction in thermal generation and the increase in generation from renewable sources.

Electricity generated by Enel in 2023 from **zero-emission sources** amounted to 73.2% of total generation, increasing considerably from the 61.0% registered in 2022 due mainly to an increase in the contribution of hydroelectric and solar generation.

Our constant commitment to improving air quality in the areas where Enel operates is underscored by the attention paid to reducing emissions of the main air pollutants associated with thermal generation, namely sulfur dioxide (SO₂), nitrogen oxides (NO_x), and particulates.

In 2023, there was a decrease in NO_x emissions compared with 2022, in both absolute and specific terms, linked to the concomitant lower overall generation by gas and CCGT plants in Italy and Iberia and to the sale of plants in Argentina. SO₂ and particulate emissions, on the other hand, have increased compared with last year as a consequence of the increased coal generation in Latin America (Colombia), which is normally inactive, due to specific generation needs resulting from intense drought associated with the effects of El Niño, which caused a significant alteration of the balance of rainfall. More specifically, specific emissions of SO₂ were equal to 0.09 g/kWh_{eq} (+28.6% compared with the 2022 value of 0.07 g/kWh_{eq}), with NO_x at 0.26 g/kWh_{eq} (-18.8% compared with the 2022 value of 0.32 g/kWh_{eq}) and particulates at 0.006 g/kWh_{eq} (+20.0% compared with the 2022 value of 0.005 g/kWh_{eq}).

Protection and development of natural capital

The protection of natural capital and combating climate change are strategic factors that are integrated into planning and in business management and development, so as to promote the sustainable economic development of the communities in which the Group operates, and are deciding factors in consolidating the Enel's leadership in energy markets.

As an energy company, our operations depend on natural resources but, at the same time, have an impact on those

resources. This is why Enel integrates assessments of risks and opportunities into Group governance and into our decision-making processes in line with international frameworks by setting specific targets over time.

The decarbonization of our energy mix, along with our objectives to reduce our impact on nature, to reclaim habitats, and to share the benefits of ecosystem services with our communities, are cornerstones of Enel's sustainability strategy.

Responsible water resource management

		2023	2022	Change	
Total withdrawals	millions of m ³	55.0	76	(21.0)	-27.6%
Water withdrawals in water-stressed areas	%	23.3	19.3	4.0	20.7%
Total specific withdrawals of fresh water	l/kWh _{eq}	0.20	0.23	(0.03)	-13.0%
Total water consumption	millions of m ³	35.4	45.2	(9.8)	-21.7%
Water consumption in water-stressed areas	%	22.1	20.5	1.6	78%

The water needed in electricity generation is obtained from “non-scarce” sources (i.e. seawater used as-is in open-cycle cooling processes or undergoing desalination to obtain demineralized and industrial water) and, only where necessary, from scarce sources (surface, underground and civil-use fresh water). In 2023, there was a significant reduction in total water withdrawals (-27.6% from 76 million cubic meters in 2022 to 55 million cubic meters in 2023) due to lower thermal generation in Italy, Iberia and Latin America and nuclear generation in Spain, which corresponds to a 13% reduction in total specific withdrawals of fresh water

(0.20 l/kWh_{eq} in 2023 compared with 0.23 l/kWh_{eq} in 2022). This decrease was also seen for withdrawals of fresh water in water-stressed areas,⁽³⁸⁾ from 12.4 x10³ million liters in 2022 to 10.3 x10³ million liters (-17%), although less severe than the reduction recorded in total withdrawals, with an increase in the relative percentage of water withdrawn from water-stressed areas out of the total (+20.7%, from 19.3% in 2022 to 23.3% in 2023).

About 11.6% of total electricity generated by the Enel Group used fresh water in water-stressed areas, deriving mainly from thermal and nuclear plants.

Enel's commitment to biodiversity

Enel has extensive experience managing and preserving biodiversity in and around our production sites in an ever-increasing number of countries. In 2019, Enel adopted Group guidelines that establish the principles and procedures for managing our impact on biodiversity and ecosystem services (BES) throughout the entire life cycle of our plants, from development and operations to decommissioning.

The identification of potential impacts on biodiversity and nature is essential in order to define the most effective strategies to avoid, minimize, remedy or compensate for the associated effects, through application of the Mitigation Hierarchy. In the same way, identifying all that depends

on biodiversity and natural capital enables us to identify the best strategies to reduce any consequent risks.

In 2023, we pursued 183 projects to safeguard species and natural habitats in and around operational plants, 57 of which were developed in partnership with government, non-governmental organizations, and universities, for a total investment of €10.8 million. These projects were carried out throughout the world.

Also in 2023, we carried out a further 60 projects related to plants under construction, mainly in Brazil, Chile, Colombia, Italy and Spain, aimed at protecting and monitoring the indigenous species affected, for a total investment of over €9 million.

(38) Mapped in line with GRI criteria in relation to the “(baseline) water stress” conditions specified in the World Resources Institute Aqueduct Water Risk Atlas.

Group performance

€20,255 million

GROSS OPERATING PROFIT

€19,918 million in 2022

€10,832 million

OPERATING PROFIT

-3.2% on 2022

€3,438 million

PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

€1,682 million in 2022

€14,042 million

ORDINARY OPERATING PROFIT⁽¹⁾

of which 27.2% from Enel Green Power

€6,508 million

ORDINARY PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

€5,391 million in 2022

€21,969 million

ORDINARY GROSS OPERATING PROFIT⁽¹⁾

of which 59.7% eligible and aligned with the European taxonomy

(1) The margins in the ordinary income statement are calculated in accordance with the indications given in the section "Definition of performance measures". The summary of results presents a reconciliation of reported figures with ordinary figures for the following aggregates: gross operating profit, operating profit, and profit for the year (attributable to owners of the Parent).

Millions of euro	Ordinary income statement ⁽¹⁾				Income statement			
	2023	2022	Change		2023	2022	Change	
Revenue	98,163	143,009	(44,846)	-31.4%	95,565	140,517	(44,952)	-32.0%
Costs	73,232	125,692	(52,460)	-41.7%	72,344	122,964	(50,620)	-41.2%
Net results from commodity contracts	(2,962)	2,366	(5,328)	-	(2,966)	2,365	(5,331)	-
Gross operating profit/(loss)	21,969	19,683	2,286	11.6%	20,255	19,918	337	1.7%
Depreciation, amortization and impairment	7,927	7,554	373	4.9%	9,423	8,725	698	8.0%
Operating profit/(loss)	14,042	12,129	1,913	15.8%	10,832	11,193	(361)	-3.2%
Financial income	6,062	8,305	(2,243)	-27.0%	6,049	8,287	(2,238)	-27.0%
Financial expense	9,440	10,812	(1,372)	-12.7%	9,424	10,743	(1,319)	-12.3%
Net financial expense	(3,378)	(2,507)	(871)	-34.7%	(3,375)	(2,456)	(919)	-37.4%
Share of profit/(loss) of equity-accounted investments⁽²⁾	226	27	199	-	(41)	(60)	19	31.7%
Pre-tax profit/(loss)	10,890	9,649	1,241	12.9%	7,416	8,677	(1,261)	-14.5%
Income taxes	3,211	2,622	589	22.5%	2,778	3,523	(745)	-21.1%
Profit/(Loss) from continuing operations⁽²⁾	7,679	7,027	652	9.3%	4,638	5,154	(516)	-10.0%
Profit/(Loss) from discontinued operations⁽²⁾	-	-	-	-	(371)	(2,234)	1,863	83.4%
Profit for the year (owners of the Parent and non-controlling interests)	7,679	7,027	652	9.3%	4,267	2,920	1,347	46.1%
Attributable to owners of the Parent	6,508	5,391	1,117	20.7%	3,438	1,682	1,756	-
Attributable to non-controlling interests	1,171	1,636	(465)	-28.4%	829	1,238	(409)	-33.0%

(1) The margins in the ordinary income statement are calculated in accordance with the indications given in the section "Definition of performance measures". The summary of results presents a reconciliation of reported figures with ordinary figures for the following aggregates: gross operating profit, operating profit, and profit for the year (attributable to owners of the Parent).

(2) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergosbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

Revenue

Millions of euro				
	2023	2022	Change	
Sale of electricity	52,465	69,340	(16,875)	-24.3%
Transport of electricity	11,123	11,096	27	0.2%
Fees from network operators	1,142	979	163	16.6%
Transfers from institutional market operators	1,570	1,667	(97)	-5.8%
Sale of gas	7,983	8,970	(987)	-11.0%
Transport of gas	68	80	(12)	-15.0%
Sale of fuels	3,458	5,605	(2,147)	-38.3%
Fees for connection to electricity and gas networks	877	826	51	6.2%
Revenue from construction contracts	995	1,672	(677)	-40.5%
Sale of commodities with physical settlement and fair value gain/(loss) on contracts settled in the period	10,383	32,987	(22,604)	-68.5%
Sale of value-added services	1,653	1,384	269	19.4%
Other income	3,848	5,911	(2,063)	-34.9%
Total	95,565	140,517	(44,952)	-32.0%

In 2023, **revenue** decreased by €44,952 million (-32.0%) from the €140,517 million of 2022. Specifically, this reduction is related both to the lower quantities of electricity sold on the wholesale and retail markets and to the trends in average selling prices of commodities in the two years compared, which also significantly impacted the recognition of sales contracts with physical settlement.

The reduction in revenue also reflects the effects deriving from the deconsolidation of certain companies sold in the second half of 2022 (specifically Enel Transmisión Chile, Celg Distribuição SA - Celg-D (Enel Goiás) and Fortaleza CGT in Brazil) and in early 2023 (Enel Generación Costanera and Central Dock Sud in Argentina), effects of which were only partially offset by the greater revenue recorded in generation from renewable sources, especially in Italy

and Spain, from hydroelectric plants and, in Latin America, from wind and solar plants.

It should also be noted that "other income" recognized in 2023 includes revenue totaling €557 million deriving from the partial sale, with loss of control, of assets in Australia (€103 million) and in Greece (€160 million), from the sale of certain renewable energy companies operating in Chile (€195 million), and from the end-of-concession gain of Enel CIEN for €99 million. In 2022, income included revenue deriving from the sale of transmission assets in Chile (€1,051 million) as well as ordinary income related to Stewardship transactions involving the sale of investments in Ufnet (€220 million), Gridspertise (for a total of €520 million), and a number of companies to Mooney Group SpA (€67 million).

Costs

Millions of euro				
	2023	2022	Change	
Electricity purchases	24,668	46,955	(22,287)	-47.5%
Consumption of fuel for electricity generation	6,385	9,286	(2,901)	-31.2%
Fuel for trading and gas for sale to end users	15,324	40,742	(25,418)	-62.4%
Materials	2,747	3,534	(787)	-22.3%
Personnel expenses	5,030	4,571	459	10.0%
Services, leases and rentals	15,450	16,606	(1,156)	-7.0%
Environmental certificates	2,603	2,510	93	3.7%
Other charges related to the electricity and gas system	568	172	396	-
Other charges for taxes and fees	1,529	1,107	422	38.1%
Capital losses and other costs on the disposal of equity investments	404	363	41	11.3%
Extraordinary solidarity levies	208	-	208	-
Other expenses	813	533	280	52.5%
Capitalized costs	(3,385)	(3,415)	30	0.9%
Total	72,344	122,964	(50,620)	-41.2%

Costs decreased by €50,620 million, mainly due to the general reduction in the average prices of energy commodities, also connected to a reduction in volumes.

This reduction was also affected by a decrease in transport costs in Italy due to lower volumes and in Spain due to a change in rates, by lower ancillary costs in the gas business in Chile associated with lower sales, by lower costs for service concession arrangement in Brazil, a decrease in purchases of CO₂ allowances and lower costs for material purchases as a result of the change in the consolidation scope. These effects were partially offset by higher costs for ear-

ly-retirement incentives and by the effects of regulatory measures related to the clawback in Italy and Spain, as well as an increase of €515 million in costs in Spain related to an arbitration dispute with a Qatari gas supplier.

It should also be noted that, in 2023, charges deriving from the sale of Enel Generación Costanera SA, Central Dock Sud SA, and the El Chocón plant, in Argentina, were recognized for a total of €363 million, as well as from the adjustment of the price related to the sale of Celg Distribuição SA - Celg-D (Enel Goiás) (€23 million).

Ordinary gross operating profit/(loss)

The table below presents gross operating profit/(loss) by business line.

Millions of euro				
	2023	2022	Change	
Thermal Generation and Trading	3,594	6,094	(2,500)	-41.0%
Enel Green Power	5,568	3,779	1,789	47.3%
Enel Grids	7,851	8,276	(425)	-5.1%
End-user Markets ⁽¹⁾	5,275	1,702	3,573	-
Holding and Services ⁽¹⁾	(319)	(168)	(151)	-89.9%
Total	21,969	19,683	2,286	11.6%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Ordinary gross operating profit amounted to €21,969 million in 2023, an increase of €2,286 million compared with 2022 (+11.6%), mainly due to the increase of €2,627 million in profit deriving from the operation of Integrated Businesses (the combination of the business of Thermal Generation and Trading, Enel Green Power and End-user Markets) and the performance of Enel Grids, where the changes in the consolidation scope as a result of the sale of certain distribution assets in Brazil and Chile were more than offset by the positive impact of rate adjustments in Latin America.

In addition, the Integrated Businesses margin includes the recognition, in 2023, of charges related to the definition of an arbitration award for the supply of gas in Spain (€515

million) and the benefit of €481 million recognized in 2022 following an agreement with Shell in Chile. Excluding these two factors, Integrated Businesses performance improved by €3,623 million.

The overall change in ordinary gross operating margin also reflects revenue from Stewardship transactions completed during the two years compared. More specifically, the positive effects of the 2023 divestments of Enel Green Power Australia (€103 million) and Enel Green Power Hellas (€422 million) were more than offset by the impact of proceeds from 2022 divestments relating to Ufinet (€220 million), the sale of the finance companies of Enel X to the Mooney Group (€67 million) and the partial disposal of Gridspertise (€520 million).

Integrated Businesses

Enel has chosen to pursue an integrated strategy in our core countries (i.e. Italy, Spain, the United States, Brazil, Chile and Colombia), where the Group has a widespread presence and a customer base to which to distribute the electricity generated.

This integrated strategy aims to maximize the margin on electricity sold, particularly by relying on gradual reductions in sourcing costs (i.e. the cost of generating and/or procuring the commodity), connected to the increase in renewable energy in our generation mix, in addition to the expansion of volumes linked to the electrification of consumption, with consequent benefits for the Group, for our customers, and for all stakeholders generally.

The ordinary gross operating margin relating to the Integrated Businesses encompassed by this strategy (the "Integrated Businesses margin") therefore stems from the integration of the electricity value chain and includes the results from electricity generation (i.e. Enel Green Power, Thermoelectric Generation and Trading) and the sale of electricity and services (End-user Markets).

In greater detail, the main businesses included in this Integrated Businesses margin are the following:

1. Electricity – free market, which consists of:
 - Integrated energy business: including electricity

business on the free market and generation from renewable and thermal sources;

- Enel X: including all services provided to customers;
 - Mobility: encompassing the activities of innovation, development and commercialization of electric mobility solutions.
2. Electricity – regulated market, which refers to regulated generation activities (capacity market, essential plants, incentives received for renewable energy, etc.) and to the commercialization of energy on regulated markets.
 3. Gas, which includes the retail and wholesale commercialization of natural gas.
 4. Trading and services, which includes portfolio optimization and generation balancing services.

These are the businesses included in the Integrated Businesses margin, which, as mentioned, are as follows:

- Thermal Generation and Trading;
- Enel Green Power;
- End-user Markets, which includes Retail, Enel X and Enel X Way.

The following table presents the Integrated Businesses margin by business line and by geographical area, excluding the impact of Stewardship transactions.

Millions of euro	Thermal Generation and Trading			Enel Green Power			End-user Markets			Total		
	2023	2022	Change	2023	2022	Change	2023	2022	Change	2023	2022	Change
Italy	2,718	2,735	(17)	555	(562)	1,117	4,039	531	3,508	7,312	2,704	4,608
Iberia	739	2,583	(1,844)	826	631	195	780	417	363	2,345	3,631	(1,286)
Rest of the World	113	762	(649)	4,213	3,697	516	460	445	15	4,786	4,904	(118)
Other	24	14	10	(26)	13	(39)	(4)	309	(313)	(6)	336	(342)
Integrated Businesses margin including Stewardship	3,594	6,094	(2,500)	5,568	3,779	1,789	5,275	1,702	3,573	14,437	11,575	2,862
Stewardship	-	-	-	511	(9)	520	-	285	(285)	511	276	235
Total	3,594	6,094	(2,500)	5,057	3,788	1,269	5,275	1,417	3,858	13,926	11,299	2,627

The Integrated Businesses margin increased by €2,627 million due mainly to the improvement of margins on free market sales, especially in Italy and Spain as average sales prices rose compared with the previous year, which was characterized by significant price instability. This factor was only partially offset by changes in consolidation scope between the two periods and by the reduction in the generation margin. With regard to generation, the increase in

renewable energy (+14.5 TWh), mainly from hydroelectric sources in Italy, Chile, Colombia and Spain, together with the different sales price in trading activities, partially offset the effects of lower amounts of electricity generated from conventional sources and the recognition of regulatory measures related to the clawback in Italy in the amount of €357 million.

Gross operating profit/(loss)

Millions of euro	2023					
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total
Ordinary gross operating profit/(loss)	3,594	5,568	7,851	5,275	(319)	21,969
Non-ordinary gain/(loss) of mergers and acquisitions	(349) ⁽¹⁾	181 ⁽²⁾	(23)	-	-	(191)
Extraordinary solidarity levies	-	-	-	-	(208)	(208)
Energy transition and digitalization	(178)	(6)	(43)	(58)	(81)	(366)
Impairment losses	-	(60)	-	-	-	(60)
Ordinary profit/(loss) from discontinued operations	-	(505)	(324)	(59)	(1)	(889)
Gross operating profit/(loss)	3,067	5,178	7,461	5,158	(609)	20,255

- (1) The balance includes €194 million for the capital loss on the sale of Central Dock Sud, €132 million to the loss on the sale of Enel Generación Costanera recognized on Enel Argentina, €21 million to the elimination of receivables collected by Enel SpA relating to Enel Generación Costanera, and €2 million to the impairment of the receivable recognized by Enel Américas, also from Enel Generación Costanera.
- (2) The balance includes the loss on the sale of El Chocón generator sets in the amount of €14 million and the gain on the sale of Arcadia in the amount of €195 million.

Millions of euro	2022 ⁽¹⁾					
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total
Ordinary gross operating profit/(loss)	6,094	3,779	8,276	1,702	(168)	19,683
Non-ordinary gain/(loss) of mergers and acquisitions	(137)	-	839	-	-	702
Energy transition and digitalization	(212)	(51)	(23)	(3)	(8)	(297)
Ordinary profit/(loss) from discontinued operations	(42)	(246)	38	105	8	(137)
COVID-19 costs	(6)	(5)	(16)	(2)	(4)	(33)
Gross operating profit/(loss)	5,697	3,477	9,114	1,802	(172)	19,918

- (1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

The **gross operating profit** for 2023 amounted to €20,255 million, an increase of €337 million compared with the previous year. This change essentially reflects the effects mentioned in relation to ordinary gross operating profit, excluding the effects attributable to discontinued operations, as well as the non-recurring results largely deriving from the disposal of certain investments in the two years being compared. For 2023, the latter are attributable to the disposals of thermal generation operations in Argentina (a

total charge of €363 million) and the sale of certain renewable plants in Chile (a gain of €195 million), while for 2022 they regarded the sale of the companies Enel Transmisión Chile in Chile and of the thermal generation company CGT Fortaleza and the distribution company Celg Distribuição SA - Celg-D (Enel Goiás) in Brazil. These divestments resulted in recognition of a gain of €1,051 million for Enel Transmisión Chile and charges for Enel Goiás (€208 million) and CGT Fortaleza (€135 million).

Ordinary operating profit/(loss)

Millions of euro				
	2023	2022	Change	
Thermal Generation and Trading	2,812	5,253	(2,441)	-46.5%
Enel Green Power	3,815	2,230	1,585	71.1%
Enel Grids	4,743	5,254	(511)	-9.7%
End-user Markets ⁽¹⁾	3,241	(210)	3,451	-
Holding and Services ⁽¹⁾	(569)	(398)	(171)	-43.0%
Total	14,042	12,129	1,913	15.8%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Ordinary operating profit for 2023 increased by €1,913 million as a result of the factors commented above in relation to ordinary gross operating profit, taking into account the increase in depreciation and amortization recognized

during the year in the area of distribution, particularly in Italy and Spain, and the increase in impairment losses recognized on trade receivables compared with the previous year in the same geographical areas.

Operating profit/(loss)

Millions of euro						
	2023					
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total
Ordinary operating profit/(loss)	2,812	3,815	4,743	3,241	(569)	14,042
Non-ordinary gain/(loss) of mergers and acquisitions	(349) ⁽¹⁾	147 ⁽²⁾	(23)	-	-	(225)
Extraordinary solidarity levies	-	-	-	-	(208)	(208)
Energy transition and digitalization	(192)	(6)	(43)	(58)	(81)	(380)
Impairment losses	(91)	(1,465)	-	(126)	-	(1,682)
Ordinary profit/(loss) from discontinued operations	-	(449)	(251)	(15)	-	(715)
Operating profit/(loss)	2,180	2,042	4,426	3,042	(858)	10,832

(1) The balance includes €194 million for the loss related to the sale of Central Dock Sud, €132 million to the loss on the sale of Enel Generación Costanera recognized on Enel Argentina, €21 million to the elimination of receivables collected by Enel SpA relating to Enel Generación Costanera, and €2 million to the impairment of the receivable recognized by Enel Américas, also from Enel Generación Costanera.

(2) The balance includes the loss on the sale of El Chocón generator sets in the amount of €14 million, the gain on the sale of Arcadia in the amount of €195 million, and impairment losses on geothermal plants in North American in the amount of €34 million.

Millions of euro						
	2022 ⁽¹⁾					
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total
Ordinary operating profit/(loss)	5,253	2,230	5,254	(210)	(398)	12,129
Non-ordinary gain/(loss) of mergers and acquisitions	(500)	-	12	-	-	(488)
Energy transition and digitalization	(287)	(51)	(23)	(3)	(8)	(372)
Ordinary profit/(loss) from discontinued operations	(28)	(193)	120	134	9	42
COVID-19 costs	(6)	(5)	(16)	(2)	(4)	(33)
Other changes	(47)	(11)	(15)	(12)	-	(85)
Operating profit/(loss)	4,385	1,970	5,332	(93)	(401)	11,193

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Operating profit decreased by €361 million compared with the previous year. This change reflects the factors commented above in relation to gross operating profit, the effects of which were more than offset by the increase in depreciation, amortization and impairment recognized in 2023.

During the year, net impairment losses amounted to €1,736 million, of which €1,234 million in respect of a number of wind and photovoltaic generation plants in the United States. Those plants underwent verification of the recoverability of their carrying amounts, mainly due to the continuation of adverse economic conditions connected with dispatching costs for electricity generated in certain markets, which gradually consolidated during the year, accompanied by a general deterioration of the macro-economic environment and the initiation and implemen-

tation by management of specific restructuring plans in the country, which have had a significant impact on the recoverable values of those assets.

Other impairment losses were recognized in North America on the assets of Enel X (€57 million) and Enel X Way (€69 million).

Finally, in 2023, an impairment loss of €171 million was recognized on the Colombian Windpeshi wind project, subject to reclassification among net assets held for sale, in accordance with the provisions of IFRS 5.

Impairment losses totaling €1,361 million were recognized in 2022, in accordance with IFRS 5, on assets involved in disposals, mainly related to Celg Distribuição SA - Celg-D (Enel Goiás) (€827 million) and CGT Fortaleza (€73 million) in Brazil and Enel Generación Costanera (€174 million) and Central Dock Sud (€116 million) in Argentina.

Profit/(Loss) from discontinued operations

Discontinued operations posted a net loss of €371 million, which, in 2023, includes the profits and losses relating to the net discontinued operations of the companies that make up the geographical areas of Russia, Romania and

Greece, classified as such based on the requirements of "IFRS 5 - Non-current assets held for sale and discontinued operations".

Millions of euro								
	2023	Russia	Greece	Romania	2022 ⁽¹⁾	Russia ⁽¹⁾	Greece	Romania
Total revenue	2,535	-	122	2,413	3,543	290	125	3,128
Costs	2,126	-	75	2,051	3,585	243	70	3,272
Impairment losses	215	-	-	215	1,230	534	-	696
Total costs	2,341	-	75	2,266	4,815	777	70	3,968
Operating profit/(loss)	194	-	47	147	(1,272)	(487)	55	(840)
Financial income/(expense)	(62)	-	(49)	(13)	(43)	(9)	(35)	1
Share of profit/(loss) of equity-accounted investments	58	58	-	-	83	64	19	-
Pre-tax profit/(loss) from discontinued operations	190	58	(2)	134	(1,232)	(432)	39	(839)
Current taxes	67	-	8	59	(15)	8	2	(25)
Deferred tax assets and liabilities	(38)	-	-	(38)	(37)	-	-	(37)
Income taxes	29	-	8	21	(52)	8	2	(62)
Profit/(Loss) from Russia, Greece and Romania	161	58	(10)	113	(1,180)	(440)	37	(777)
Gain/(Loss) on the sale of discontinued operations	(532)	(124)	262	(670)	(1,054)	(1,054)	-	-
Profit/(Loss) from discontinued operations	(371)	(66)	252	(557)	(2,234)	(1,494)	37	(777)

(1) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergosbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

It should be noted that, in addition to the financial performance of these companies (a net profit of €161 million), the figure includes the charges related to the sale of assets owned in Romania in the amount of €670 million and charges connected with the sale of Rusenergosbyt in Russia in the amount of €124 million. These effects were partly

offset by the gain recognized at the end of 2023 on the sale of assets in Greece (€262 million).

In 2022, in addition to the financial performance of these companies (a net loss of €1,180 million), the figure reflected effects of the loss on the divestment in Russia in the amount of €1,054 million.

Group ordinary profit/(loss)

Group ordinary profit for 2023 amounted to €6,508 million, an increase of €1,117 million (+20.7%) compared with the €5,391 million of the previous year.

This increase in ordinary operating profit and the decrease in non-controlling interests in ordinary profit more than offset the increase in net financial expense due to

the trend in interest rates. In absolute terms, taxes also increased as a result of the improvement of pre-tax profit, while the tax rate increased mainly as a result of the write-down of deferred tax assets in the United States, Mexico and Peru (€180 million).

Group profit/(loss)

Group profit in 2023 came to €3,438 million (€1,682 million in 2022), an increase of €1,756 million compared with 2022. The table below provides a reconciliation of Group profit with Group ordinary profit, indicating the non-recur-

ring items and their respective impact on performance, net of the associated tax effects and non-controlling interests.

Millions of euro		
	2023	2022
Group ordinary profit	6,508	5,391
Impairment losses	(1,216)	-
Non-ordinary profit/(loss) on discontinued operations	(959)	(1,992)
Non-ordinary profit/(loss) on merger and acquisitions	(278)	(716)
Energy transition and digitalization	(259)	(189)
Write-down of certain assets related to the sale of the investment in Slovenské elektrárne	(209)	(18)
Extraordinary solidarity levies	(149)	(724)
Other transactions	-	(47)
COVID-19 costs	-	(23)
Group profit	3,438	1,682

Of note is the impact on Group profit of the “*Caro bollette*” and solidarity levies introduced in Italy, Spain and Romania,

for a total of €149 million in 2023 and of €724 million in 2022.

VALUE GENERATED AND DISTRIBUTED FOR STAKEHOLDERS

Millions of euro				
	2023	2022	Change	
Economic value generated directly	96,159	140,821	(44,662)	-31.7%
Economic value distributed directly				
Operating expenses	67,631	114,384	(46,753)	-40.9%
Personnel expenses and benefits	4,126	3,646	480	13.2%
Payments to providers of capital (shareholders and lenders)	8,890	7,691	1,199	15.6%
Payments to government ⁽¹⁾	6,221	5,103	1,118	21.9%
	86,868	130,824	(43,956)	-33.6%
Economic value retained	9,291	9,997	(706)	-7.1%

(1) The figure for 2022 has been adjusted on the basis of more accurate information. The amount mainly includes "total tax borne", which is the total amount paid by the Enel Group (including the Greek and Romanian companies in both years) for taxes recognized in profit or loss. For more information on total tax borne, please see the 2023 Sustainability Report and the Consolidated Non-Financial Statement.

The economic value generated and distributed directly by Enel provides a good indication of how the Group has created wealth for all stakeholders.

The decrease in value generated directly mainly reflects the reduction in revenue from the sale of energy commodities, in particular gas and electricity, due both to the smaller quantities transacted on the wholesale and retail markets and to the reduction in average prices.

The decline in operating expenses is mainly due to the reduction in costs for electricity and gas purchases due to the decrease in volumes and average prices, as well as the decrease in costs for transport and CO₂ allowances. Payments to providers of capital mainly increased in reflection of interest expense, primarily connected with the rise in interest rates. In addition, dividend payments increased compared with the previous year.

ANALYSIS OF THE GROUP'S FINANCIAL POSITION AND STRUCTURE

€105,272 million

NET CAPITAL EMPLOYED

€102,743 million in 2022

64.0%

SUSTAINABLE FINANCING

on total gross debt
€74,949 million

€60,163 million

NET FINANCIAL DEBT⁽¹⁾

-0.8% on 2022

€12,714 million

TOTAL CAPITAL EXPENDITURE

84.4% eligible and aligned with the European taxonomy

- (1) In order to facilitate analysis of developments in Group net financial debt, thereby ensuring greater comparability over time, management has decided to exclude the fair value of the cash flow hedge and fair value hedge derivatives used to hedge the exchange rate risk on loans. Accordingly, in order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022.
- (2) Does not include €849 million regarding units classified as held for sale (€156 million in 2022).

Net capital employed and funding

Millions of euro	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Net non-current assets:				
- property, plant and equipment and intangible assets	106,953	106,135	818	0.8%
- goodwill	13,042	13,742	(700)	-5.1%
- equity-accounted investments	1,650	1,281	369	28.8%
- net other non-current assets/(liabilities) ⁽¹⁾	(3,363)	(4,778)	1,415	29.6%
Total net non-current assets	118,282	116,380	1,902	1.6%
Net working capital:				
- trade receivables	17,773	16,605	1,168	7.0%
- inventories	4,290	4,853	(563)	-11.6%
- net receivables due from institutional market operators	(4,317)	(1,083)	(3,234)	-
- net other current assets/(liabilities) ⁽¹⁾	(9,907)	(10,959)	1,052	9.6%
- trade payables	(15,821)	(17,641)	1,820	10.3%
Total net working capital	(7,982)	(8,225)	243	3.0%
Gross capital employed	110,300	108,155	2,145	2.0%
Provisions:				
- employee benefits	(2,320)	(2,202)	(118)	-5.4%
- provisions for risks and charges and net deferred taxes ⁽²⁾	(6,311)	(5,999)	(312)	-5.2%
Total provisions	(8,631)	(8,201)	(430)	-5.2%
Net assets held for sale	3,603	2,789	814	29.2%
Net capital employed	105,272	102,743	2,529	2.5%
Total equity⁽²⁾	45,109	42,080	3,029	7.2%
Net financial debt⁽¹⁾	60,163	60,663	(500)	-0.8%

- (1) In order to facilitate analysis of developments in Group net financial debt, thereby ensuring greater comparability over time, management has decided to exclude the fair value of the cash flow hedge and fair value hedge derivatives used to hedge the exchange rate risk on loans. Accordingly, in order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022.
- (2) Figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures" of the consolidated financial statements.

Property, plant and equipment and intangible assets increased due essentially to capital expenditure in the period (€11,919 million), the capitalization of financial expense (€300 million), the activation of new IFRS 16 rights of use (€684 million), and the effect of impairment losses related to the hyperinflation of assets held in Argentina (€914 million). These impacts were partially offset by the classification of certain assets as held for sale (€4,293 million), essentially referring to distribution and generation assets in Peru, as well as by depreciation, amortization and impairment losses recognized for the year (€7,825 million) and adverse exchange rate developments (€1,226 million), referring essentially to Latin America.

Goodwill decreased mainly as a result of the above-mentioned classifications of certain Peruvian companies as available for sale (€616 million) and the impairment recognized on the assets of Enel X and Enel X Way in the United States (€126 million). These effects are partially offset by favorable exchange rate developments (€42 million).

Equity-accounted investments increased mainly due to the consolidation at equity of joint ventures in Greece and Australia following the partial sale, with loss of control, of the related companies and the impairment loss on Slovak Power Holding. These impacts were partially offset by the effects deriving from the sale of Rusenergosbyt.

Net working capital increased, compared with December 31, 2022, by €243 million, mainly due to an increase in trade receivables and a decrease in trade payables. These impacts were partly offset by an increase in payables to institutional electricity market operators, mainly in Italy due to the gradual restoration, in 2023, of the charges related to the support of renewable energy and cogeneration, and in Spain for other components payable to market operators.

Net assets held for sale increased mainly as a result of the classification among the net assets held for the sale of generation and distribution companies in Peru, net of the divestments during the year. For a more detailed breakdown of the aggregate and related changes, please see note 36 of the consolidated financial statements.

Net capital employed at December 31, 2023 came to €105,272 million (€102,743 million at December 31, 2022) and was covered by €45,109 million in equity attributable to owners of the Parent and non-controlling interests and €60,163 million in net financial debt. With regard to net debt, the debt-to-equity ratio at December 31, 2023 was 1.33 (compared with 1.44 at December 31, 2022).

Net financial debt

The Enel Group's net financial debt and changes in the period are detailed in the table below.

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Long-term debt:				
- bank borrowings	14,500	15,261	(761)	-5.0%
- bonds	43,579	50,079	(6,500)	-13.0%
- other borrowings ⁽¹⁾	3,014	2,851	163	5.7%
Long-term debt	61,093	68,191	(7,098)	-10.4%
Long-term financial assets and securities	(3,837)	(4,213)	376	8.9%
Net long-term debt	57,256	63,978	(6,722)	-10.5%
Short-term debt				
Bank borrowings:				
- current portion of long-term bank borrowings	1,992	890	1,102	-
- other short-term bank borrowings	393	1,320	(927)	-70.2%
Short-term bank borrowings	2,385	2,210	175	7.9%
Bonds (current portion)	6,763	1,612	5,151	-
Other borrowings (current portion)	331	333	(2)	-0.6%
Commercial paper	2,499	13,838	(11,339)	-81.9%
Cash collateral and other financing on derivatives	1,383	1,513	(130)	-8.6%
Other short-term financial borrowings ⁽²⁾	495	1,721	(1,226)	-71.2%
Other short-term debt	11,471	19,017	(7,546)	-39.7%
Long-term loan assets (short-term portion)	(1,007)	(2,838)	1,831	64.5%
Loan assets – cash collateral	(2,899)	(8,319)	5,420	65.2%
Other short-term financial assets	(161)	(2,266)	2,105	92.9%
Cash and cash equivalents	(6,882)	(11,119)	4,237	38.1%
Cash and cash equivalents and short-term financial assets	(10,949)	(24,542)	13,593	55.4%
Net short-term debt	2,907	(3,315)	6,222	-
NET FINANCIAL DEBT ⁽³⁾	60,163	60,663	(500)	-0.8%
Net financial debt of assets held for sale	888	892	(4)	-0.4%

(1) Includes other non-current financial borrowings included under other non-current financial liabilities.

(2) Includes current borrowings included under other current financial liabilities.

(3) In order to facilitate analysis of developments in Group net financial debt, thereby ensuring greater comparability over time, management has decided to exclude the fair value of the cash flow hedge and fair value hedge derivatives used to hedge the exchange rate risk on loans. Accordingly, in order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022.

Net financial debt, in the amount of €60,163 million at December 31, 2023, decreased by €500 million from the €60,663 million of December 31, 2022. Cash flows generated by operating activities (€14,620 million) and from the sale of certain investments included within the Group's divestment plan (for a total of €2,083 million, mainly related to the sale of the Romanian companies, a shareholding in companies in Greece, and certain renewable generation companies in Chile and Argentina), the effects of the issuance of perpetual hybrid subordinated non-convertible bonds (€986 million), the recognition of NRRP contribu-

tions in Italy to support investment as well as the change in net financial liabilities associated with assets available for sale (€720 million) substantially offset the cash flows used in investing activities (€12,714 million) and the payment of dividends (€5,317 million, including coupons paid to holders of hybrid bonds in the amount of €182 million).

Gross financial debt at December 31, 2023 came to €74,949 million, a decrease of €14,469 million from the previous year.

Gross financial debt

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Gross long-term debt	Gross short-term debt	Gross debt	Gross long-term debt	Gross short-term debt	Gross debt
Gross financial debt	70,179	4,770	74,949	71,026	18,392	89,418
of which:						
- sustainable financing	45,147	2,663	47,810	42,561	13,977	56,538
Sustainable financing/Total gross debt (%)			64%			63%

More specifically, **gross long-term financial debt** (including the short-term portion), in the amount of €70,179 million, includes €45,147 million in sustainable financing and is structured as follows:

- bonds in the amount of €50,342 million, of which €30,822 million in sustainable bonds, down €1,349 million compared with December 31, 2022. This change is mainly the result of redemptions, including a hybrid bond of Enel SpA in the amount of \$1,250 million (equal to €1,132 million at December 31, 2023), currency gains, and changes in the consolidation scope, only partially offset by new issues, including a multi-tranche sustainability-linked bond issued by Enel Finance International in the total amount of €1,500 million in February 2023;
- bank borrowings in the amount of €16,492 million, €14,325 million of which related to sustainable financing. These borrowings increased by €341 million compared with the previous year due mainly to the use of new financing that was only partially offset by repayments made during the period. Of note among new bank borrowings:
 - a sustainability-linked line of credit granted by EKF to Enel Finance America used at December 31, 2023 for \$370 million (equal to €335 million at December 31, 2023);

- financing linked to sustainability goals granted by the European Investment Bank to various companies of the Group for a total value of €874 million;

- other borrowings in the amount of €3,345 million, an increase of €161 million from the previous year.

Gross short-term financial debt, which decreased by €13,622 million from December 31, 2022, totals €4,770 million and consists of commercial paper, all linked to sustainability objectives, in the amount of €2,499 million, cash collateral in the amount of €1,383 million, other short-term financial payables in the amount of €495 million, and other short-term bank borrowings in the amount of €393 million.

Cash and cash equivalents and short- and long-term financial assets, totaling €14,786 million, decreased by €13,969 million compared with the end of 2022, mainly due to the €5,420 million decrease in financial receivables for cash collateral, the €4,237 million decrease in cash and cash equivalents, and the €2,105 million decrease in other short-term financial receivables, mainly attributable to the repayment of the receivable due at the end of 2022 from Equatorial for the sale of the Brazilian electricity distribution company Celg Distribuição SA - Celg-D (Enel Goiás).

Sustainability-linked finance at Enel

At Enel, sustainable finance is a key lever in creating economic and financial value, enabling us to raise public and private capital and channel those resources into sustainable investments, thereby sustaining achievement of our development goals. The new sustainability-linked bond issues, together with all the sustainable financing arranged in the last year, made it possible to reach a 64% ratio of sustainable sources of financing to the Group's total gross debt at the end of 2023, with a goal of reaching around 70% in 2026.

Sustainability-Linked Financing Framework

In 2020, Enel was the world's first company to include a mechanism in its funding agreements that links the cost of financing to achieving one or more of the sustainability targets specified in the Sustainability-Linked Financing Framework, a document that extends the sustainability-linked approach to all instruments of financial debt. The Sustainability-Linked Financing Framework is updated

annually in line with the objectives defined in the Group's Strategic Plan.

The latest version published in January 2024 updated the Sustainability Performance Targets (SPT) of the five key performance indicators (KPIs) included in the framework, which contribute to achievement of SDG 7 ("Clean and Accessible Energy") and SDG 13 ("Climate Action") and the European Environmental Objective of Climate Change Mitigation:

1. Intensity of Scope 1 GHG emissions related to power generation ($\text{gCO}_{2\text{eq}}/\text{kWh}$);
2. Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power ($\text{gCO}_{2\text{eq}}/\text{kWh}$);
3. Absolute Scope 3 GHG emissions related to retail gas ($\text{MtCO}_{2\text{eq}}$);
4. Percentage of installed renewable capacity (%);
5. Percentage of capital expenditure aligned with the EU taxonomy (%).

KPI	Actual value	Sustainability Performance Targets (SPTs)					
	2023	2023	2024	2025	2026	2030	2040
Intensity of Scope 1 GHG emissions related to power generation ($\text{gCO}_{2\text{eq}}/\text{kWh}$)	160	148	140	130	125	72	0
Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power ($\text{gCO}_{2\text{eq}}/\text{kWh}$)	168			135	135	73	0
Absolute Scope 3 GHG emissions related to retail gas ($\text{MtCO}_{2\text{eq}}$)	16.8			20.9	20.0	11.4	0
Percentage of installed renewables capacity (%)	68.2	65	69	73	74	80	100
Percentage of capital expenditure aligned with the EU taxonomy (%)	84.8			>80 (2023-2025) ⁽³⁹⁾	>80 (2024-2026) ⁽⁴⁰⁾		

Developments in the KPIs shown in the table are periodically verified by an external auditor and are published by Enel in the Integrated Annual Report and the Sustainability Report.

Globally, greenhouse gas (GHG) emissions continued to increase in 2023, largely as a result of economic recovery and a further increase in fossil fuel consumption, with the energy crisis and the high prices of natural gas and liquefied natural gas sparking greater use of coal as a cheaper but more polluting fuel.

Nevertheless, the Group managed to reduce direct and indirect greenhouse gas emissions along the entire value chain by 26.3% overall compared with the previous year. Furthermore, the Group also reduced the intensity of Scope 1 GHG emissions related to power generation by

over 30.6%, going from 229 $\text{gCO}_{2\text{eq}}/\text{kWh}$ in 2022 to 160 $\text{gCO}_{2\text{eq}}/\text{kWh}$ in 2023. This reduction reflected a 12.9% increase in consolidated renewables generation and a 37.5% reduction in consolidated thermal generation compared with 2022, a consequence of the Group's strategy to shift its generation mix towards renewables and to advance the decarbonization process.

However, the war in Ukraine and the resulting restrictions on gas imports from Russia into the EU, which caused a decrease in gas supplies accompanied by a surge in wholesale electricity and gas prices, with serious effects for households and businesses, prompted EU governments to implement a series of policy responses to mitigate the impact of rising costs and ensure the stability of the energy system.

(39) SPT with cumulative observation period of 2023-2025.

(40) SPT with cumulative observation period of 2024-2026.

In particular, the Italian government responded with a national plan to contain natural gas consumption, including measures to maximize thermal generation using fuels other than gas. This was implemented with Decree Law 14/2022, which required the national transmission system operator (TSO) to develop a program to maximize electricity production from coal-fired power plants until the end of September 2023. Consequently, the TSO identified Enel's coal plants as essential and required them to maximize such output.

In Spain, the government authorization for the closure of the As Pontes coal plant, requested by Enel's Endesa subsidiary in December 2019 for June 2021, was postponed to the end of 2023 as the plant was identified as essential by the transmission system operator.

Due to the unprecedented crisis faced by the European energy system in 2022 and 2023, the Group's emissions reduction in 2023 was not sufficient to achieve the Scope 1 GHG emissions intensity target related to electricity generation set for 2023 as announced on the occasion of the Capital Markets Day held in November 2020 for the launch of the 2021-2023 Strategic Plan. As a result of the energy crisis, the intensity value was slightly higher than the target of 148 gCO_{2eq}/kWh. In the absence of these factors, Enel would have been able to reach an emissions intensity level well below the target of 148 gCO_{2eq}/kWh.

As a result, the Group's sustainability-linked instruments that set the Scope 1 emissions intensity target for electricity generation at 148 gCO_{2eq}/kWh for 2023 will be subject to an increase in the relative step-up, and Enel will comply with its obligations in accordance with the terms and conditions of the legal documentation of these sustainability-linked transactions.

Despite these unprecedented circumstances, the Group's emissions intensity in 2023 remained aligned with the 1.5 °C pathway: the sector's decarbonization approach envisaged by the SBTi initiative had established a maximum threshold of 246 gCO_{2eq}/kWh for 2023, well above Enel's actual performance.

Ultimately, Enel's commitment to decarbonization remains confirmed for both the short, medium and long term, as envisaged in the new 2024-2026 Strategic Plan, which establishes a new short-term target for 2026 of 125 gCO_{2eq}/kWh. This new target, which is incorporated in the Sustainability-Linked Financing Framework as updated in January 2024 and linked to the first issue of sustainability-linked bonds in 2024, confirms Enel's commitment to the energy transition and contributes to the environmental and financial sustainability of the Group's development strategy. Furthermore, we are still committed to the 2030 target of

an 80% reduction in the intensity of Scope 1 GHG emissions related to power generation compared with the 2017 baseline and the final 2040 target of a 100% reduction in these emissions without resort to any type of offsetting or carbon removal mechanisms.

In 2023, the Group, acting through its financial subsidiary Enel Finance International NV (EFI), issued a bond in February on the European market in the amount of €1,500 million, combining, in the eight-year tranche, a KPI linked to the EU taxonomy with a KPI linked to the United Nations SDGs. The second tranche of the 20-year bond, on the other hand, was linked to two KPIs associated with the Group's focus on complete decarbonization through the reduction of direct and indirect greenhouse gas emissions.

In November 2023, Enel SpA obtained a three-year sustainability-linked revolving credit facility worth €1,500 million and linked to SDG 13.

In March 2023, Enel Finance International renewed its €8,000 million commercial paper program, linking it to the KPI "Intensity of Scope 1 GHG emissions related to power generation (gCO_{2eq}/kWh)" and the KPI "Percentage of capital expenditure aligned with the EU taxonomy (%)".

Enel's role in the Recovery Plan

Enel acts as a strategic partner in the Recovery Plan with the aim of driving sustainable, rapid and effective growth through the implementation of projects in line with the missions of the individual Recovery and Resilience Plans at the national level. In this regard, in 2023, the decrees relating to the projects Smart Grids and Resilience in Italy were signed, for a total of €3,500 million. In addition to Recovery, the Enel Group has submitted project proposals for other opportunities offered at European level, such as the Innovation Fund where the grant agreement for the Catania Gigafactory was signed, the Important Projects of Common European Interest (IPCEI) where projects for the development of green hydrogen were presented, and the Connecting Europe Facility (CEF) for the development of electric charging infrastructures.

International development finance

The Group is leading an innovation process aimed at accelerating the mobilization of capital to support sustainable growth through the use of sustainability-linked financial instruments.

More specifically, in 2023, the Group obtained incentivized loans for a total of €1,800 million, which include sustainability-linked mechanisms tied to SDG 13. The main operations include sustainability-linked financing for a total of \$800 million by Enel Finance America and EKF (Danish export credit agency), which is the EKF's first sustainability-linked financing agreement.

Cash flows

For more information, please see [note 46](#) of the consolidated financial statements.

Capital expenditure

Millions of euro				
	2023	2022 ⁽¹⁾	Change	
Thermal Generation and Trading	761	990	(229)	-23.1%
Enel Green Power	5,345	6,386	(1,041)	-16.3%
Enel Grids	5,280	5,547	(267)	-4.8%
End-user Markets	1,138	1,205	(67)	-5.6%
Holding and Services	190	219	(29)	-13.2%
Total⁽²⁾	12,714	14,347	(1,633)	-11.4%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

(2) The figure does not include €849 million regarding units classified as held for sale (€156 million in 2022).

Capital expenditure decreased by €1,633 million from the previous year.

In line with the Paris Agreement in terms of reducing CO₂ emissions, the Group's investments focused mainly on renewable energy and grids.

In particular, with regard to renewable energy, the change mainly concerned the increases in Italy (€824 million) and Colombia (€15 million), which were more than offset by lower capital expenditure in the United States (€1,197 million), Chile (€236 million), Peru (€196 million), Canada (€181 million), and Spain (€51 million).

Capital expenditure on grids, aimed at ensuring reliability and quality of service through efficient, resilient and digital networks, increased in Italy (€370 million), Spain (€25 million), and Colombia (€18 million), while decreasing in Brazil (€335 million), Romania (€140 million), Peru (€111 million),

Argentina (€60 million), and Chile (€26 million).

Capital expenditure in the End-user Markets Business Line fell by €67 million. More specifically, the decrease in Retail concerned Italy (€81 million), Spain (€18 million) and Romania, essentially in the digitization of operational customer management processes.

Within the End-user Markets, but related to mobility, capital expenditure mainly decreased in Brazil, by €30 million, only partially offset by increased capital expenditure in Italy. Within the End-user Markets Business Line for Enel X, capital expenditure increased mainly in Italy, in the e-City and Distributed Energy businesses, and in Brazil in the e-City business.

Capital expenditure in Thermal Generation and Trading decreased by €229 million, particularly in Latin America and Italy.

PERFORMANCE BY PRIMARY SEGMENT (BUSINESS LINE) AND SECONDARY SEGMENT (GEOGRAPHICAL AREA)

The representation of performance by business line presented here is based on the approach used by management in monitoring Group performance for the two periods under review, taking account of the operational model adopted as described above.

With regard to disclosures for operating segments, as management reports on performance by business line, the Group has therefore adopted the following reporting sectors:

- primary segment: Business Line;
- secondary segment: Geographical Area.

The business line is therefore the main discriminant in the analyses performed and decisions taken by the management of the Enel Group, and is fully consistent with the internal reporting prepared for these purposes since the results are measured and evaluated first and foremost for each business line and only thereafter are they broken down by geographical area.

In this regard, note that the organizational simplification process begun in 2023 led to a restructuring of the business lines and geographical areas, with a consequent need to redefine the segments subject to disclosure in

order to present the results of the segments based on the approach used by management to monitor and present the Group's performance to investors.



















































In particular, in the presentation of figures by primary segment (Business Line):

- the figures for Enel X, which in the year ended December 31, 2022 had been presented separately, are now reported under End-user Markets;
- the figures for Enel X Way, which in the year ended December 31, 2022 had been presented under Holding, Services and Other, are now reported under End-user Markets.

In the presentation of figures by secondary segment (Geographical Area), the figures for Latin America, Europe, North America, Africa, Asia and Oceania have merged into the "Rest of the World" area.

The organization continues to be based on matrix of business lines (Thermal Generation and Trading, Enel Green Power, Enel Grids, End-user Markets, Enel X, Holding and Services) and geographical areas (Italy, Iberia, Rest of the World, Central/Holding).

The following chart outlines these organizational arrangements.

REGIONS/ COUNTRIES	THERMAL GENERATION	TRADING	ENEL GREEN POWER	ENEL GRIDS	END-USER MARKETS	HOLDING AND SERVICES
Italy					  	
Iberia					  	
Rest of the World					  	
<i>Africa, Asia and Oceania</i>					 	
<i>Latin America</i>					  	
<i>Europe</i>					  	
<i>North America</i>					  	

Following these changes, the figures for the previous year were adjusted for comparative purposes only.

Performance by primary segment (Business Line) in 2023 and 2022

Results for 2023⁽¹⁾

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	20,152	8,459	17,206	49,748	-	95,565	-	95,565
Revenue and other income from transactions with other segments	20,038	3,161	3,053	2,371	2,045	30,668	(30,668)	-
Total revenue	40,190	11,620	20,259	52,119	2,045	126,233	(30,668)	95,565
Net results from commodity contracts	(1,983)	(65)	-	(923)	5	(2,966)	-	(2,966)
Gross operating profit/(loss)	3,067	5,178	7,461	5,158	(609)	20,255	-	20,255
Depreciation, amortization and impairment losses	887	3,136	3,035	2,116	249	9,423	-	9,423
Operating profit/(loss)	2,180	2,042	4,426	3,042	(858)	10,832	-	10,832
Capital expenditure	761⁽²⁾	5,345⁽³⁾	5,280⁽⁴⁾	1,138⁽⁵⁾	190⁽⁶⁾	12,714	-	12,714

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figure does not include €14 million classified as available for sale or discontinued operations.

(3) The figure does not include €565 million classified as available for sale or discontinued operations.

(4) The figure does not include €233 million classified as available for sale or discontinued operations.

(5) The figure does not include €34 million classified as available for sale or discontinued operations.

(6) The figure does not include €3 million classified as available for sale or discontinued operations.

Results for 2022⁽¹⁾

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	53,239	6,669	19,806	60,785	18	140,517	-	140,517
Revenue and other income from transactions with other segments	23,096	2,498	3,226	3,565	2,032	34,417	(34,417)	-
Total revenue	76,335	9,167	23,032	64,350	2,050	174,934	(34,417)	140,517
Net results from commodity contracts	551	183	-	1,595	(5)	2,324	41	2,365
Gross operating profit/(loss)	5,697	3,477	9,114	1,802	(180)	19,910	8	19,918
Depreciation, amortization and impairment losses	1,312	1,507	3,782	1,895	229	8,725	-	8,725
Operating profit/(loss)	4,385	1,970	5,332	(93)	(409)	11,185	8	11,193
Capital expenditure	990⁽²⁾	6,386⁽³⁾	5,547⁽⁴⁾	1,205⁽⁵⁾	219	14,347	-	14,347

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) The figure does not include €2 million classified as available for sale or discontinued operations.

(3) The figure does not include €42 million classified as available for sale or discontinued operations.

(4) The figure does not include €110 million classified as available for sale or discontinued operations.

(5) The figure does not include €2 million classified as available for sale or discontinued operations.

In addition to the above, the Group also monitors performance by geographical area, classifying results by region/country. In the table below, ordinary gross operating profit is shown for the two periods under review with the goal of providing a view of performance not only by division/

business line, but also by geographical area.

It should be noted that ordinary gross operating profit excludes non-recurring items. For a reconciliation with gross operating profit, please see the section "Group Performance".

Ordinary gross operating profit⁽¹⁾

Millions of euro	Thermal Generation and Trading			Enel Green Power			Enel Grids		
	2023	2022	Change	2023	2022	Change	2023	2022	Change
Italy	2,718	2,735	(17)	555	(562)	1,117	3,589	3,707	(118)
Iberia	739	2,583	(1,844)	826	631	195	1,668	1,621	47
Rest of the World	113	762	(649)	4,213	3,697	516	2,598	2,384	214
Latin America	166	737	(571)	2,623	2,372	251	2,284	2,445	(161)
<i>Argentina</i>	<i>5</i>	<i>76</i>	<i>(71)</i>	<i>19</i>	<i>21</i>	<i>(2)</i>	<i>(54)</i>	<i>88</i>	<i>(142)</i>
<i>Brazil</i>	<i>(16)</i>	<i>81</i>	<i>(97)</i>	<i>549</i>	<i>506</i>	<i>43</i>	<i>1,496</i>	<i>1,489</i>	<i>7</i>
<i>Chile</i>	<i>50</i>	<i>399</i>	<i>(349)</i>	<i>983</i>	<i>798</i>	<i>185</i>	<i>102</i>	<i>168</i>	<i>(66)</i>
<i>Colombia</i>	<i>(23)</i>	<i>29</i>	<i>(52)</i>	<i>743</i>	<i>674</i>	<i>69</i>	<i>517</i>	<i>487</i>	<i>30</i>
<i>Peru</i>	<i>153</i>	<i>154</i>	<i>(1)</i>	<i>224</i>	<i>203</i>	<i>21</i>	<i>223</i>	<i>213</i>	<i>10</i>
<i>Panama</i>	<i>(1)</i>	<i>(2)</i>	<i>1</i>	<i>70</i>	<i>102</i>	<i>(32)</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other countries</i>	<i>(2)</i>	<i>-</i>	<i>(2)</i>	<i>35</i>	<i>68</i>	<i>(33)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Europe	4	45	(41)	659	244	415	314	(61)	375
<i>Romania</i>	<i>4</i>	<i>(8)</i>	<i>12</i>	<i>156</i>	<i>140</i>	<i>16</i>	<i>314</i>	<i>(61)</i>	<i>375</i>
<i>Russia</i>	<i>-</i>	<i>53</i>	<i>(53)</i>	<i>-</i>	<i>18</i>	<i>(18)</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other countries</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>503</i>	<i>86</i>	<i>417</i>	<i>-</i>	<i>-</i>	<i>-</i>
North America	(57)	(20)	(37)	789	988	(199)	-	-	-
<i>United States and Canada</i>	<i>(60)</i>	<i>(19)</i>	<i>(41)</i>	<i>749</i>	<i>907</i>	<i>(158)</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Mexico</i>	<i>3</i>	<i>(1)</i>	<i>4</i>	<i>40</i>	<i>81</i>	<i>(41)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Africa, Asia and Oceania	-	-	-	142	93	49	-	-	-
<i>South Africa</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>31</i>	<i>73</i>	<i>(42)</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>India</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6</i>	<i>17</i>	<i>(11)</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other countries</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>105</i>	<i>3</i>	<i>102</i>	<i>-</i>	<i>-</i>	<i>-</i>
Other	24	14	10	(26)	13	(39)	(4)	564	(568)
Total	3,594	6,094	(2,500)	5,568	3,779	1,789	7,851	8,276	(425)

(1) Ordinary gross operating profit does not include non-recurring items. For a reconciliation with gross operating profit, please see the section "Group Performance".

End-user Markets			Holding and Services			Total		
2023	2022	Change	2023	2022	Change	2023	2022	Change
4,039	531	3,508	56	89	(33)	10,957	6,500	4,457
780	417	363	39	(5)	44	4,052	5,247	(1,195)
460	445	15	(132)	(119)	(13)	7,252	7,169	83
424	560	(136)	(132)	(117)	(15)	5,365	5,997	(632)
5	35	(30)	(5)	(3)	(2)	(30)	217	(247)
220	237	(17)	(37)	(23)	(14)	2,212	2,290	(78)
75	83	(8)	(89)	(91)	2	1,121	1,357	(236)
79	151	(72)	-	-	-	1,316	1,341	(25)
45	54	(9)	(1)	-	(1)	644	624	20
-	-	-	-	-	-	69	100	(31)
-	-	-	-	-	-	33	68	(35)
50	(81)	131	2	-	2	1,029	147	882
54	(110)	164	2	-	2	530	(39)	569
-	1	(1)	-	-	-	-	72	(72)
(4)	28	(32)	-	-	-	499	114	385
(11)	(24)	13	(2)	(2)	-	719	942	(223)
(15)	(28)	13	(2)	(2)	-	672	858	(186)
4	4	-	-	-	-	47	84	(37)
(3)	(10)	7	-	-	-	139	83	56
-	-	-	-	-	-	31	73	(42)
-	-	-	-	-	-	6	17	(11)
(3)	(10)	7	-	-	-	102	(7)	109
(4)	309	(313)	(282)	(133)	(149)	(292)	767	(1,059)
5,275	1,702	3,573	(319)	(168)	(151)	21,969	19,683	2,286



THERMAL GENERATION AND TRADING

26 GW

NET EFFICIENT INSTALLED CAPACITY

-29.8% from coal-fired plants on 2022

80.3 TWh

NET ELECTRICITY GENERATION

-45.5% from coal-fired plants on 2022

€3,594 million

ORDINARY GROSS OPERATING PROFIT

€6,094 million in 2022

Operations

Net electricity generation

Millions of kWh

	2023	2022	Change	
Coal-fired plants	10,755	19,722	(8,967)	-45.5%
Fuel-oil and turbo-gas plants	8,021	14,652	(6,631)	-45.3%
Combined-cycle plants	36,705	54,436	(17,731)	-32.6%
Nuclear plants	24,865	26,508	(1,643)	-6.2%
Total net generation	80,346	115,318	(34,972)	-30.3%
- of which Italy	20,503	30,149	(9,646)	-32.0%
- of which Iberia	46,052	52,674	(6,622)	-12.6%
- of which Rest of the World	13,791	32,495	(18,704)	-57.6%
- of which Latin America	13,791	22,439	(8,648)	-38.5%
- of which Europe	-	10,056	(10,056)	-

In 2023, thermal generation decreased by 34,972 million kWh compared with 2022, in a context of greater water availability and a reduction in electricity needs, particularly in Italy and Iberia.

The decrease in generation by fuel-oil and turbo-gas plants and by combined-cycle plants, of 6,631 million kWh and 17,731 million kWh respectively, is mainly attributable to the sale of the entire stake held in the share capital of the Russian company PJSC Enel Russia (10,056 million

kWh), as well as the sale of the Argentine companies Enel Generación Costanera (3,989 million kWh) and Central Dock Sud (2,553 million kWh).

The decrease in generation by coal-fired plants, down 8,967 million kWh, is mainly attributable to Italy, which had resorted to this technology in 2022 and until the 1st Quarter of 2023 for application of the preventive measures put in place by the Italian government to reduce gas consumption.

Net efficient installed capacity

MW				
	2023	2022	Change	
Coal-fired plants	4,627	6,590	(1,963)	-29.8%
Fuel-oil and turbo-gas plants	5,942	7,204	(1,262)	-17.5%
Combined-cycle plants	11,983	13,895	(1,912)	-13.8%
Nuclear plants	3,328	3,328	-	-
Total	25,880	31,017	(5,137)	-16.6%
- of which Italy	11,145	11,569	(424)	-3.7%
- of which Iberia	11,347	12,751	(1,404)	-11.0%
- of which Rest of the World	3,388	6,697	(3,309)	-49.4%
- of which Latin America	3,388	6,697	(3,309)	-49.4%
- of which Europe	-	-	-	-

Net efficient generation capacity for thermal power plants at December 31, 2023 stood at 25,880 MW, a decrease of 5,137 MW compared with 2022, mainly following the sale of the Enel Generación Costanera and Central Dock Sud

plants in Argentina, the decommissioning of a coal plant in Iberia (As Pontes), and the decommissioning of two units of a coal plant in Italy (Fusina).

Performance

Millions of euro				
	2023	2022	Change	
Revenue	40,190	76,335	(36,145)	-47.4%
Gross operating profit/(loss)	3,067	5,697	(2,630)	-46.2%
Ordinary gross operating profit/(loss)	3,594	6,094	(2,500)	-41.0%
Operating profit/(loss)	2,180	4,385	(2,205)	-50.3%
Ordinary operating profit/(loss)	2,812	5,253	(2,441)	-46.5%
Capital expenditure	761 ⁽¹⁾	990 ⁽²⁾	(229)	-23.1%

(1) The figure does not include €14 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The following table provides a breakdown of revenue for Thermal Generation and Trading from conventional thermal and nuclear generation.

Revenue from thermal and nuclear generation⁽¹⁾

Millions of euro		
	2023	2022
Revenue		
Revenue from thermal generation	14,054	24,155
- of which coal-fired generation	2,885	6,500
Revenue from nuclear generation	1,463	1,570
Revenue from thermal generation as a percentage of total revenue	14.7%	17.2%
- of which revenue from coal-fired generation as a percentage of total revenue	3.0%	4.6%
Revenue from nuclear generation as a percentage of total revenue	1.5%	1.1%

(1) The revenue analyzed refers to that for the segment and include transactions with third parties and the intersegment transactions of each segment with the others.

The following tables show a breakdown of performance by geographical area in 2023.

Revenue

Millions of euro

	2023	2022	Change	
Italy	26,178	55,389	(29,211)	-52.7%
Iberia	11,348	17,488	(6,140)	-35.1%
Rest of the World	2,809	4,090	(1,281)	-31.3%
Latin America	2,548	3,858	(1,310)	-34.0%
- of which Argentina	7	145	(138)	-95.2%
- of which Brazil	656	959	(303)	-31.6%
- of which Chile	1,335	2,268	(933)	-41.1%
- of which Colombia	317	218	99	45.4%
- of which Peru	233	268	(35)	-13.1%
- of which other countries	-	-	-	-
North America	261	218	43	19.7%
Europe	-	14	(14)	-
Other	82	106	(24)	-22.6%
Eliminations and adjustments	(227)	(738)	511	69.2%
Total	40,190	76,335	(36,145)	-47.4%

Revenue for 2023 amount to €40,190 million, a decrease of €36,145 million from 2022. This decrease is mainly attributable to the decline in thermal generation, due in part to the increase in renewable generation, above all from hy-

droelectric sources, and to the decreasing average prices applied, above all, on wholesale sales compared with the previous year.

Ordinary gross operating profit/(loss)

Millions of euro

	2023	2022	Change	
Italy	2,718	2,735	(17)	-0.6%
Iberia	739	2,583	(1,844)	-71.4%
Rest of the World	113	762	(649)	-85.2%
Latin America	168	737	(569)	-77.2%
- of which Argentina	5	76	(71)	-93.4%
- of which Brazil	(16)	81	(97)	-
- of which Chile	50	399	(349)	-87.5%
- of which Colombia	(23)	29	(52)	-
- of which Peru	153	154	(1)	-0.6%
- of which other countries	(1)	(2)	1	50.0%
North America	(57)	(20)	(37)	-
Europe	4	45	(41)	-91.1%
Other	24	14	10	71.4%
Total	3,594	6,094	(2,500)	-41.0%

The decrease in the **ordinary gross operating profit**, in the amount of €2,500 million, is mainly attributable to the lower thermal generation, combined with the lower average prices applied in 2023 compared with 2022, as well as the recognition of a charge in the amount of €515 million following the arbitration award for the revision of the price of

a long-term gas-supply contract at Endesa.

The reduction also reflects the change in the consolidation scope linked to the sales of CGT Fortaleza in Brazil in 2022 and of Enel Generación Costanera and Central Dock Sud in Argentina in 2023.

Gross operating profit came to €3,067 million, a decrease of €2,630 million from the €5,697 million posted in 2022. In addition to the reduced generation at lower average prices and the recognition of the arbitration award of €515 million in Spain, as mentioned above, the change from the previous year also reflects the change in the consolidation scope, for the sales mentioned above in Argentina and Brazil (a decrease of €158 million).

Finally, it should be noted that, in the two financial years compared, non-recurring items essentially led to the recognition of greater overall charges of €172 million. More specifically, these effects refer to the charges related to

the 2023 sales of the thermal generation companies in Argentina (€349 million) and the charges for the energy transition and digitalization (€178 million), mainly relating to the adjustment of the value of inventories of fuel and other materials used by coal-fired plants in Italy.

In 2022, the main non-recurring items included the charges related to the sale of CGT Fortaleza in Brazil (€137 million), the closure of the Bocamina II power plant in Chile (€56 million), and the provision recognized for Enel Produzione (€142 million) for the costs associated with the conversion of certain plants.

Ordinary operating profit/(loss)

Millions of euro

	2023	2022	Change	
Italy	2,562	2,591	(29)	-1.1%
Iberia	217	2,068	(1,851)	-89.5%
Rest of the World	10	582	(572)	-98.3%
Latin America	76	571	(495)	-86.7%
- of which Argentina	3	4	(1)	-25.0%
- of which Brazil	(16)	75	(91)	-
- of which Chile	16	361	(345)	-95.6%
- of which Colombia	(40)	12	(52)	-
- of which Peru	122	122	-	-
- of which other countries	(9)	(3)	(6)	-
North America	(70)	(20)	(50)	-
Europe	4	31	(27)	-87.1%
Other	23	12	11	91.7%
Total	2,812	5,253	(2,441)	-46.5%

The decrease in the **ordinary operating profit** essentially reflects the factors described in relation to ordinary gross operating profit, taking account of the decrease in depreciation, amortization and impairment losses of €59 million compared with the previous year.

Operating profit for 2023 came to €2,180 million (€4,385 million in 2022), a decrease of €2,205 million taking into

account the factors described above in relation to gross operating profit and the decrease in depreciation, amortization and impairment losses compared with previous year. More specifically, 2022 included impairment losses in Latin America and Spain totaling €474 million, while in 2023 they concerned certain projects in Spain in the amount of €91 million.

Capital expenditure

Millions of euro

	2023	2022	Change	
Italy	394	408	(14)	-3.4%
Iberia	306	272	34	12.5%
Rest of the World	61	310	(249)	-80.3%
Latin America	57	289	(232)	-80.3%
North America	4	7	(3)	-42.9%
Europe	-	14	(14)	-
Total	761⁽¹⁾	990⁽²⁾	(229)	-23.1%

(1) The figure does not include €14 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The decrease of €229 million in **capital expenditure** is due to the change in the consolidation scope as a result of the sale of the aforementioned assets in Argentina.



ENEL GREEN POWER

55.5_{GW}

NET EFFICIENT INSTALLED CAPACITY

68.2% of total Group capacity

127.0_{TWh}

NET ELECTRICITY GENERATION

+29.2% from solar plants on 2022

€5,345_{million⁽¹⁾}

CAPITAL EXPENDITURE

-16.3% on 2022

€5,568_{million}

ORDINARY GROSS OPERATING PROFIT

€3,779 million in 2022

(1) The figure does not include €565 million regarding units classified as held for sale or discontinued operations.

Operations

Net electricity generation

Millions of kWh

	2023	2022	Change	
Hydroelectric	60,991	51,728	9,263	17.9%
Geothermal	6,001	6,117	(116)	-1.9%
Wind	45,339	43,255	2,084	4.8%
Solar	14,613	11,306	3,307	29.2%
Other sources	42	43	(1)	-2.3%
Total net generation	126,986	112,449	14,537	12.9%
- of which Italy	22,098	18,311	3,787	20.7%
- of which Iberia	14,212	12,041	2,171	18.0%
- of which Rest of the World	90,676	82,097	8,579	10.4%
- of which Latin America	60,960	53,154	7,806	14.7%
- of which Europe	2,151	2,458	(307)	-12.5%
- of which North America	25,611	23,385	2,226	9.5%
- of which Africa, Asia and Oceania	1,954	3,100	(1,146)	-37.0%

Net electricity generation in 2023 increased from 2022 due to greater hydroelectric, wind and solar generation.

Hydroelectric generation posted a sharp increase as a result of greater water availability in Italy (+3,686 million kWh), in Chile (+2,440 million kWh), in Colombia (+1,630 million kWh), in Argentina (+1,200 million kWh), and in Spain (+606 million kWh), partly offset by lower generation in Panama (-153 million kWh) and Guatemala (-99 million kWh).

Solar generation increased mainly in Chile (+1,386 million

kWh), the United States (+1,047 million kWh), and Spain (+882 million kWh).

The most significant changes in wind generation were seen in Brazil (+1,052 million kWh), in the United States (+1,074 million kWh), in Spain (+683 million kWh), and in Canada (+371 million kWh), partly offset by lower generation in South Africa (-529 million kWh) due to the deconsolidation of certain companies, in India (-208 million kWh), and in Peru (-136 million kWh).

Net efficient installed capacity

MW				
	2023	2022	Change	
Hydroelectric	28,340	28,355	(15)	-0.1%
Geothermal	931	931	-	-
Wind	15,853	15,735	118	0.7%
Solar	10,407	8,534	1,873	21.9%
Other sources	6	6	-	-
Total net efficient installed capacity	55,537	53,561	1,976	3.7%
- of which Italy	14,885	14,683	202	1.4%
- of which Iberia	9,899	9,293	606	6.5%
- of which Rest of the World	30,753	29,585	1,168	3.9%
- of which Latin America	19,684	17,827	1,857	10.4%
- of which Europe	4	1,020	(1,016)	-
- of which North America	10,335	9,532	803	8.4%
- of which Africa, Asia and Oceania	729	1,206	(477)	-39.6%

The increase of 1.98 GW in net efficient installed capacity was affected by the additional renewables capacity (+4.03 GW), mainly in Latin America (+2.3 GW), North America

(+0.8 GW) and Spain (+0.6 GW), partially offset by the effects of plant sales, due to mergers and acquisitions in Romania, Greece, Australia, Chile and India.

Performance

Millions of euro				
	2023	2022	Change	
Revenue	11,620	9,167	2,453	26.8%
Gross operating profit/(loss)	5,178	3,477	1,701	48.9%
Ordinary gross operating profit/(loss)	5,568	3,779	1,789	47.3%
Operating profit/(loss)	2,042	1,970	72	3.7%
Ordinary operating profit/(loss)	3,815	2,230	1,585	71.1%
Capital expenditure	5,345 ⁽¹⁾	6,386 ⁽²⁾	(1,041)	-16.3%

(1) The figure does not include €565 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €42 million regarding units classified as held for sale or discontinued operations.

The following tables show a breakdown of performance by geographical area in 2023.

Revenue

Millions of euro

	2023	2022	Change	
Italy	3,248	2,149	1,099	51.1%
Iberia	1,217	935	282	30.2%
Rest of the World	7,127	6,095	1,032	16.9%
Latin America	5,109	4,164	945	22.7%
- of which Argentina	28	35	(7)	-20.0%
- of which Brazil	846	739	107	14.5%
- of which Chile	2,570	2,076	494	23.8%
- of which Colombia	1,108	822	286	34.8%
- of which Peru	258	201	57	28.4%
- of which Panama	201	178	23	12.9%
- of which other countries	98	113	(15)	-13.3%
North America	1,612	1,702	(90)	-5.3%
- of which United States and Canada	1,379	1,424	(45)	-3.2%
- of which Mexico	233	282	(49)	-17.4%
- area eliminations	-	(4)	4	-
Europe	161	40	121	-
- of which Romania	-	28	(28)	-
- of which Russia	-	11	(11)	-
- of which Greece	160	-	160	-
- of which other countries	1	1	-	-
Africa, Asia and Oceania	255	196	59	30.1%
Rest of the World eliminations	(10)	(7)	(3)	-42.9%
Other	299	288	11	3.8%
Eliminations and adjustments	(271)	(300)	29	9.7%
Total	11,620	9,167	2,453	26.8%

The increase in **revenue** is mainly attributable to the greater volumes of hydroelectric generation, above all in Italy and Colombia, in addition to the greater quantities of solar generation by plants that came into operation during the year, mainly in Latin America.

In 2023, the Group also recognized gains totaling €458 million on the sale of certain plants in Chile (Arcadia project for

€195 million) and, in the context of transactions conducted under the Stewardship business model, the disposals of net assets in Australia (€103 million, of which €24 million in capital gain and €79 million for the remeasurement at fair value) and in Greece (solely for the remeasurement at fair value in the amount of €160 million).

Ordinary gross operating profit/(loss)

Millions of euro

	2023	2022	Change	
Italy	555	(562)	1,117	-
Iberia	826	631	195	30.9%
Rest of the World	4,213	3,697	516	14.0%
Latin America	2,623	2,372	251	10.6%
- of which Argentina	19	21	(2)	-9.5%
- of which Brazil	549	506	43	8.5%
- of which Chile	983	798	185	23.2%
- of which Colombia	743	674	69	10.2%
- of which Peru	224	203	21	10.3%
- of which Panama	70	102	(32)	-31.4%
- of which other countries	35	68	(33)	-48.5%
North America	789	988	(199)	-20.1%
- of which United States and Canada	749	907	(158)	-17.4%
- of which Mexico	40	81	(41)	-50.6%
Europe	659	244	415	-
- of which Romania	156	140	16	11.4%
- of which Russia	-	18	(18)	-
- of which Greece	504	88	416	-
- of which other countries	(1)	(2)	1	50.0%
Africa, Asia and Oceania	142	93	49	52.7%
Other	(26)	13	(39)	-
Total	5,568	3,779	1,789	47.3%

The increase in **ordinary gross operating profit** in 2023, which also includes an increase in gross operating profit compared with 2022 (€259 million), the result of assets classified as discontinued operations in Greece and Romania, is essentially attributable to the increase in renewable energy, particularly hydroelectric generation in Italy, as well as the normalization of margins compared with 2022, a year that was characterized by significant price instability.

We should also note the recognition of a total gain of €525 million due to the partial sales with loss of control of the assets in Australia (€103 million) and the gain on the sale of discontinued operations relating to the assets in Greece (€422 million, including a capital gain of €262 million and the remeasurement at fair value of €160 million).

These increases were partly offset in Italy by the greater impact of the clawback (€357 million).

The **gross operating profit** of €5,178 million (€3,477 million at December 31, 2022) increased by €1,701 million and includes the factors described in relation to ordinary gross operating profit, with the exception of €262 million relating to the capital gain on the sale in Greece of assets classified as discontinued operations. In addition, 2023 included recognition of gains on the sale of certain plants in Chile (€195 million), a loss on the sale of the El Chocón generator sets in Argentina (€14 million), and the charges related to the disposal of certain assets in the United States in the amount of €60 million. In 2022, gross operating margin included charges related to the disposal of assets in Chile (€51 million).

Ordinary operating profit/(loss)

Millions of euro

	2023	2022	Change	
Italy	200	(874)	1,074	-
Iberia	519	373	146	39.1%
Rest of the World	3,171	2,744	427	15.6%
Latin America	2,145	1,942	203	10.5%
- of which Argentina	16	14	2	14.3%
- of which Brazil	394	378	16	4.2%
- of which Chile	783	625	158	25.3%
- of which Colombia	693	625	68	10.9%
- of which Peru	190	168	22	13.1%
- of which Panama	52	83	(31)	-37.3%
- of which other countries	17	49	(32)	-65.3%
North America	322	594	(272)	-45.8%
- of which United States and Canada	308	541	(233)	-43.1%
- of which Mexico	14	53	(39)	-73.6%
Europe	601	190	411	-
- of which Romania	135	123	12	9.8%
- of which Russia	(2)	14	(16)	-
- of which Greece	469	55	414	-
- of which other countries	(1)	(2)	1	50.0%
Africa, Asia and Oceania	103	18	85	-
Other	(75)	(13)	(62)	-
Total	3,815	2,230	1,585	71.1%

Ordinary operating profit for 2023, up by €1,585 million from 2022, reflects the improvement in operating performance, partly offset by the increase in depreciation, amortization and impairment losses of €204 million, mainly relating to the entry into service of new plants during the year.

Operating profit for 2023 came to €2,042 million, up €72 million (€1,970 million in 2022). The improvement in operating performance was partially offset by the different levels of impairment losses in the two years compared. More specifically, in 2023, operating profit includes impairment losses on certain US assets (€1,268 million) recognized to take account of a deterioration in the outlook of certain reference markets that gradually emerged throughout

2023, accompanied by a deterioration in the general macroeconomic environment, as well as the launch and implementation by management of specific restructuring plans

in the country. An impairment loss was also recognized for the Windpeshi project in Colombia (€171 million), as it was classified as held for sale.

Capital expenditure

Millions of euro

	2023	2022	Change	
Italy	1,645	821	824	-
Iberia	782	833	(51)	-6.1%
Rest of the World	2,899	4,714	(1,815)	-38.5%
Latin America	1,866	2,106	(240)	-11.4%
North America	1,023	2,408	(1,385)	-57.5%
Europe	-	51	(51)	-
Africa, Asia and Oceania	10	149	(139)	-93.3%
Other	19	18	1	5.6%
Total	5,345⁽¹⁾	6,386⁽²⁾	(1,041)	-16.3%

(1) The figure does not include €565 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €42 million regarding units classified as held for sale or discontinued operations.

Capital expenditure decreased by €1,041 million in 2023 compared with the same figure for the previous year. Specifically, this change is attributable to:

- decreased capital expenditure in the Rest of the World, and specifically:
 - lower capital expenditure in solar and wind farms in the United States and Canada;
 - a €240 million decrease in capital expenditure in Latin America, mainly in solar plants in Chile and Peru

and in wind farms in Peru and Colombia, partly offset by greater capital expenditure in Brazil;

- decreased capital expenditure in Africa, Asia and Oceania, mainly related to the lower capital expenditure in solar plants in India and wind and solar plants in Australia;
- lower capital expenditure in wind farms in Iberia;
- greater capital expenditure in Italy, mainly in battery energy storage systems.



ENEL GRIDS

489.2 TWh

ELECTRICITY TRANSPORTED ON ENEL'S DISTRIBUTION GRID

507.5 TWh in 2022

€7,851 million

ORDINARY GROSS OPERATING PROFIT

€8,276 million in 2022

€5,280 million⁽¹⁾

CAPITAL EXPENDITURE

41.5% of total Group capital expenditure

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

Operations

Electricity distribution and transmission grid

Millions of kWh

	2023	2022	Change	
Electricity transported on Enel's distribution grid	489,214	507,524	(18,310)	-3.6%
- of which Italy ⁽¹⁾	214,059	220,379	(6,320)	-2.9%
- of which Iberia ⁽¹⁾	136,363	131,677	4,686	3.6%
- of which Rest of the World ⁽¹⁾	138,792	155,468	(16,676)	-10.7%
- of which Latin America	126,202	139,921	(13,719)	-9.8%
- of which Europe ⁽¹⁾	12,590	15,547	(2,957)	-19.0%
End users with active smart meters (no.)	45,172,959	45,824,963	(652,004)	-1.4%

(1) The figure for 2022 has been restated.

In 2023, electricity transported on the grid decreased (by 3.6%), mainly attributable to:

- Europe (-19%) for the sale in October 2023 of all the investments held by the Enel Group in Romania;
- Brazil and Chile for, respectively, the sale in December 2022 of Celg Distribuição SA - Celg-D (Enel Goiás) and of Enel Transmisión Chile SA;
- Italy (-2.9%), due to a decrease in demand for electricity.

Average frequency of interruptions per customer

	2023	2022	Change	
SAIFI (average no.)				
Italy	1.7	1.6	0.1	6.2%
Iberia	1.2	1.3	(0.1)	-7.7%
Argentina	7.9	5.3	2.6	49.1%
Brazil	3.7	4.5	(0.8)	-17.8%
Chile	1.2	1.6	(0.4)	-25.0%
Colombia	4.6	3.9	0.7	17.9%
Peru	2.7	2.9	(0.2)	-6.9%
Romania ⁽¹⁾	2.1	2.6	(0.5)	-19.2%

(1) The figure for 2022 has been restated.

Average duration of interruptions by customer

	2023	2022	Change	
SAIDI (average minutes)				
Italy ⁽¹⁾	45.6	41.8	3.8	9.1%
Iberia ⁽¹⁾	63.0	64.3	(1.3)	-2.0%
Argentina	1,169.2	892.0	277.2	31.1%
Brazil	465.3	547.3	(82.0)	-15.0%
Chile ⁽¹⁾	121.4	158.6	(37.2)	-23.5%
Colombia	352.6	320.0	32.6	10.2%
Peru ⁽¹⁾	635.5	610.3	25.2	4.1%
Romania ⁽¹⁾	71.3	90.4	(19.1)	-21.1%

(1) The figure for 2022 has been restated.

As shown in the tables above, service quality level improved above all in Chile and Brazil and significant worsened in Argentina due to adverse weather events in 2023.

Grid losses

	2023	2022	Change	
Grid losses (average %)				
Italy	4.7	4.7	-	-
Iberia	6.8	7.0	(0.2)	-2.9%
Argentina	16.8	17.1	(0.3)	1.8%
Brazil	13.1	13.5	(0.4)	-3.0%
Chile	5.3	5.1	0.2	3.9%
Colombia	7.5	7.5	-	-
Peru	8.7	8.2	0.5	6.1%
Romania	8.3	8.5	(0.2)	-2.4%

Performance

Millions of euro				
	2023	2022	Change	
Revenue	20,259	23,032	(2,773)	-12.0%
Gross operating profit/(loss)	7,461	9,114	(1,653)	-18.1%
Ordinary gross operating profit/(loss)	7,851	8,276	(425)	-5.1%
Operating profit/(loss)	4,426	5,332	(906)	-17.0%
Ordinary operating profit/(loss)	4,743	5,254	(511)	-9.7%
Capital expenditure	5,280 ⁽¹⁾	5,547 ⁽²⁾	(267)	-4.8%

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €110 million regarding units classified as held for sale or discontinued operations.

The following tables show a breakdown of performance by geographical area in 2023.

Revenue

Millions of euro				
	2023	2022	Change	
Italy	7,610	6,963	647	9.3%
Iberia	2,379	2,258	121	5.4%
Rest of the World	10,228	12,948	(2,720)	-21.0%
Latin America	10,227	12,956	(2,729)	-21.1%
- of which Argentina	560	1,000	(440)	-44.0%
- of which Brazil	6,321	7,762	(1,441)	-18.6%
- of which Chile	1,590	2,562	(972)	-37.9%
- of which Colombia	823	753	70	9.3%
- of which Peru	933	879	54	6.1%
Europe	1	(8)	9	-
Other	402	1,273	(871)	-68.4%
Eliminations and adjustments	(360)	(410)	50	12.2%
Total	20,259	23,032	(2,773)	-12.0%

The decrease in **revenue** is mainly attributable to Brazil and Chile due to the changes in the consolidation scope relating, respectively, to the sales of Celg Distribuição SA - Celg-D (Enel Goiás) and Enel Transmisión Chile SA which took place in December 2022, and above all to the recognition in 2022 of the gain on the sale of Enel Transmisión

Chile SA (€1,051 million). These negative effects were only partially offset by the increase in revenue due to rate adjustments, especially in Italy and Brazil, in addition to the increase in Spain in relation to the charges recognized in 2022 for rate adjustments for the years 2017 to 2019.

Ordinary gross operating profit/(loss)

Millions of euro				
	2023	2022	Change	
Italy	3,589	3,707	(118)	-3.2%
Iberia	1,668	1,621	47	2.9%
Rest of the World	2,598	2,384	214	9.0%
Latin America	2,284	2,445	(161)	-6.6%
- of which Argentina	(54)	88	(142)	-
- of which Brazil	1,496	1,489	7	0.5%
- of which Chile	102	168	(66)	-39.3%
- of which Colombia	517	487	30	6.2%
- of which Peru	223	213	10	4.7%
Europe	314	(61)	375	-
Other	(4)	564	(568)	-
Total	7,851	8,276	(425)	-5.1%

Ordinary gross operating profit, which takes account of the increase in the result on assets classified as discontinued operations (€362 million), decreased by €425 million. This change is mainly attributable to the recognition in 2022 of the gain on the sale of 50% of the stake held by Enel Grids in Gridspertise (€520 million), to changes in the consolidation scope (a total of €250 million) mainly due to the sales of Enel Transmisión Chile and Celg Distribuição SA - Celg-D (Enel Goiás), to the increase in service quality indemnities (€118 million), and to the increased costs for plant maintenance following adverse weather events in Italy (€61 million). These effects were partially offset by the rate adjustments recognized in Brazil, Italy and Romania.

Gross operating profit came to €7,461 million, a decrease of €1,653 million from the €9,114 million posted in 2022. This change is essentially attributable to the net gains (€1,359 million) recognized in 2022 on the sales of Gridspertise, Enel Transmisión Chile and Celg Distribuição SA - Celg-D (Enel Goiás), as well as to the negative impacts of the related changes in the consolidation scope (€250 million), the increased costs for service quality indemnities (€118 million), and the higher maintenance costs in response to hazardous weather events in Italy (€61 million). These impacts were only partially offset by the rate adjustments recorded in Brazil and Italy.

Ordinary operating profit/(loss)

Millions of euro

	2023	2022	Change	
Italy	2,139	2,357	(218)	-9.2%
Iberia	872	815	57	7.0%
Rest of the World	1,738	1,528	210	13.7%
Latin America	1,496	1,671	(175)	-10.5%
- of which Argentina	(109)	52	(161)	-
- of which Brazil	980	975	5	0.5%
- of which Chile	51	109	(58)	-53.2%
- of which Colombia	424	391	33	8.4%
- of which Peru	150	144	6	4.2%
Europe	242	(143)	385	-
Other	(6)	554	(560)	-
Total	4,743	5,254	(511)	-9.7%

The decrease of €511 million in **ordinary operating profit** for 2023 essentially reflects the factors described in relation to ordinary gross operating profit, as well as the greater depreciation due to the new capital expenditure made in Italy on distribution grids.

Operating profit amounted to €4,426 million in 2023, a decrease of €906 million on 2022 (€5,332 million). This change is attributable to the effects noted above in relation to gross operating profit, as well as to the increased depreciation and amortization in Italy, which were partially offset by the recognition in 2022 of the impairment on the assets of Celg Distribuição SA - Celg-D (Enel Goiás) in the amount of €827 million.

Capital expenditure

Millions of euro

	2023	2022	Change	
Italy	3,084	2,714	370	13.6%
Iberia	885	860	25	2.9%
Rest of the World	1,287	1,949	(662)	-34.0%
Latin America	1,287	1,809	(522)	-28.9%
Europe	-	140	(140)	-
Other	24	24	-	-
Total	5,280⁽¹⁾	5,547⁽²⁾	(267)	-4.8%

(1) The figure does not include €233 million regarding units classified as held for sale or discontinued operations.

(2) The figure does not include €110 million regarding units classified as held for sale or discontinued operations.

Capital expenditure in the two years being compared decreased by €267 million, mainly attributable to Latin America, and in particular to Brazil due to the sale of Celg Distribuição SA - Celg-D (Enel Goiás) in December 2022. This

reduction was partially offset in Italy by the increase in the activation of new customers and by the improvement in service quality.



END-USER MARKETS

300.8 TWh

ELECTRICITY SALES

321.1 TWh in 2022

€5,275 million

ORDINARY GROSS OPERATING PROFIT⁽¹⁾

€1,702 million in 2022

61.1 million

RETAIL CUSTOMERS

of which 24.3 million in the free market

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Operations

Electricity sales

Millions of kWh

	2023	2022	Change	
Free market	194,541	198,254	(3,713)	-1.9%
Regulated market	106,313	122,854	(16,541)	-13.5%
Total	300,854	321,108	(20,254)	-6.3%
- of which Italy	87,239	97,195	(9,956)	-10.2%
- of which Iberia	77,689	79,003	(1,314)	-1.7%
- of which Rest of the World	135,926	144,910	(8,984)	-6.2%
- of which Latin America	129,177	135,094	(5,917)	-4.4%
- of which Europe	6,749	9,816	(3,067)	-31.2%

The lower volumes of electricity sold in 2023 are mainly concentrated on the regulated market in Brazil (-9.7 TWh) due to the sale of Celg Distribuição SA - Celg-D (Enel Goiás) at the end of 2022 and in Italy (-6.8 TWh) for the transition of customers to the free market, due in part to the pending elimination of the enhanced protection mar-

ket, set for June 2024 as per Resolution no. 600/2023.

With regard to the performance of the free market, there was a decrease in volumes mainly in Italy (-3.1 TWh) and in Spain (-0.6 TWh), partially offset by the increase seen in Brazil (+2.2 TWh) and Chile (+0.6 TWh).

Natural gas sales

Millions of m ³				
	2023	2022	Change	
Business to consumer	3,502	3,910	(408)	-10.4%
Business to business	4,822	6,333	(1,511)	-23.9%
Total	8,324	10,243	(1,919)	-18.7%
- of which Italy	4,149	4,726	(577)	-12.2%
- of which Iberia	3,802	4,909	(1,107)	-22.6%
- of which Rest of the World	373	608	(235)	-38.7%
- of which Latin America	185	342	(157)	-45.9%
- of which Europe	188	266	(78)	-29.3%

The decrease in the volume of gas sold in 2023 mainly came in Italy and Spain. Both business-to-business (B2B)

and business-to-consumer (B2C) customer segments showed lower sales volumes compared with 2022.

Demand response, storage and lighting points

	2023	2022	Change	
Demand response capacity (MW)	9,588	8,476	1,112	13.1%
Lighting points (thousands)	3,259	3,023	236	7.8%
Storage (MW)	1,730	760	970	-
Public charging points (no.) ⁽¹⁾	24,281	22,112	2,169	9.8%

(1) It should be noted that the figures shown, if they also included the charging points of joint ventures, would amount to 25,337 at December 31, 2023, and 22,617 at December 31, 2022.

Demand response capacity increased mainly in Japan (+494 MW), North America (+273 MW), and Italy (+256 MW). Lighting points, which concern the implementation of intelligent and energy-saving public lighting, increased

mainly in Italy, Spain, Brazil and Chile, while storage increased above all in North America, essentially due to the installation of new batteries at renewable energy plants.

Performance⁽¹⁾

Millions of euro				
	2023	2022	Change	
Revenue	52,119	64,350	(12,231)	-19.0%
Gross operating profit/(loss)	5,158	1,802	3,356	-
Ordinary gross operating profit/(loss)	5,275	1,702	3,573	-
Operating profit/(loss)	3,042	(93)	3,135	-
Ordinary operating profit/(loss)	3,241	(210)	3,451	-
Capital expenditure	1,138 ⁽²⁾	1,205 ⁽³⁾	(67)	-5.6%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

(2) The figure does not include €34 million regarding units classified as held for sale or discontinued operations.

(3) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The following tables show a breakdown of performance by geographical area in 2023.

Revenue⁽¹⁾

Millions of euro				
	2023	2022	Change	
Italy	28,717	33,351	(4,634)	-13.9%
Iberia	20,747	28,114	(7,367)	-26.2%
Rest of the World	2,644	2,522	122	4.8%
Latin America	2,157	2,071	86	4.2%
- of which Argentina	5	13	(8)	-61.5%
- of which Brazil	545	543	2	0.4%
- of which Chile	197	192	5	2.6%
- of which Colombia	1,040	1,002	38	3.8%
- of which Peru	370	321	49	15.3%
- of which other countries	-	-	-	-
North America	331	312	19	6.1%
Europe	76	89	(13)	-14.6%
Africa, Asia and Oceania	84	70	14	20.0%
Rest of the World eliminations	(4)	(20)	16	80.0%
Other	212	553	(341)	-61.7%
Eliminations and adjustments	(201)	(190)	(11)	-5.8%
Total	52,119	64,350	(12,231)	-19.0%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Revenue for 2023 decreased by 19.0% from the previous year, mainly due to a decline in revenue from electricity sales (down €8,786 million) and gas sales (down €3,188 million) as a result of both the lower quantities of electricity and gas sold and the decreasing average sales prices, mainly in Italy and Spain. The decrease in other revenue

was due to the recognition, in 2022, of the gains on the sale of the 1.1% investment in Ufinet by Enel X International (€220 million) and on the sale of certain assets by Enel Srl to Mooney (€67 million). Revenue from the sale of electricity in Latin America increased, mainly in Colombia and Peru.

Ordinary gross operating profit/(loss)⁽¹⁾

Millions of euro				
	2023	2022	Change	
Italy	4,039	531	3,508	-
Iberia	780	417	363	87.1%
Rest of the World	460	445	15	3.4%
Latin America	424	560	(136)	-24.3%
- of which Argentina	5	35	(30)	-85.7%
- of which Brazil	220	237	(17)	-7.2%
- of which Chile	75	83	(8)	-9.6%
- of which Colombia	79	151	(72)	-47.7%
- of which Peru	45	54	(9)	-16.7%
- of which other countries	-	-	-	-
North America	(11)	(24)	13	54.2%
Europe	50	(81)	131	-
Africa, Asia and Oceania	(3)	(10)	7	70.0%
Other	(4)	309	(313)	-
Total	5,275	1,702	3,573	-

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Ordinary gross operating profit for 2023 increased mainly following the increase of €3,508 million in Italy and of €363 million in Spain, due to the improved performance on the free market due mainly to the reduction in procurement costs in a context of normalizing sales prices. The increase in ordinary gross operating profit in Europe is entirely attributable to the performance of the Romanian assets classified as discontinued operations. Performance also improved in the e-Home, e-City, and Demand Response businesses. These positive effects were only partially offset by the decrease in profits in Latin America, in the amount of €136 million, particularly in Colombia in the Retail segment and for the e-Bus project, as well as for the aforementioned

gains recognized in 2022 on the sale of the investment in Ufinet (€220 million) and of certain other investments to Mooney (€67 million).

Gross operating profit came to €5,158 million (€1,802 million in 2022). The increase of €3,356 million reflects the improved performance on the free market, mainly due to the reduction in procurement costs in a context of normalizing sales prices.

These effects do not take into account the results of discontinued operations and the charges related to the energy transition and digitalization relating to the adjustment of the fund *Acuerdo Voluntario de Salida* (AVS) in Spain.

Ordinary operating profit/(loss)⁽¹⁾

Millions of euro

	2023	2022	Change	
Italy	2,987	(633)	3,620	-
Iberia	268	84	184	-
Rest of the World	74	76	(2)	-2.6%
Latin America	132	279	(147)	-52.7%
- of which Argentina	(5)	19	(24)	-
- of which Brazil	10	44	(34)	-77.3%
- of which Chile	57	59	(2)	-3.4%
- of which Colombia	44	115	(71)	-61.7%
- of which Peru	26	42	(16)	-38.1%
- of which other countries	-	-	-	-
North America	(53)	(77)	24	31.2%
Europe	4	(111)	115	-
Africa, Asia and Oceania	(9)	(15)	6	40.0%
Other	(88)	263	(351)	-
Total	3,241	(210)	3,451	-

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

The change in the **ordinary operating profit** reflects the factors noted above in relation to ordinary gross operating profit, in addition to the greater depreciation, amortization and impairment losses in the amount of €122 million, mainly attributable to the amortization and the greater write-downs of trade receivables in the amount of €89 million, mainly in Spain and Brazil.

Operating profit for 2023, in the amount of €3,042 million (a loss of €93 million in 2022), reflects the factors noted above in relation to gross operating profit, as well as the greater depreciation, amortization and impairment losses of €221 million. This change also includes the impairment losses recognized in the United States in 2023 by Enel X Way in the amount of €69 million and by Enel X in the amount of €57 million, due above all to the deterioration in the macroeconomic environment.

Capital expenditure⁽¹⁾

Millions of euro

	2023	2022	Change	
Italy	566	582	(16)	-2.7%
Iberia	311	324	(13)	-4.0%
Rest of the World	164	190	(26)	-13.7%
Latin America	84	80	4	5.0%
North America	69	76	(7)	-9.2%
Europe	2	19	(17)	-89.5%
Africa, Asia and Oceania	9	15	(6)	-40.0%
Other	97	109	(12)	-11.0%
Total	1,138⁽²⁾	1,205⁽³⁾	(67)	-5.6%

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

(2) The figure does not include €34 million regarding units classified as held for sale or discontinued operations.

(3) The figure does not include €2 million regarding units classified as held for sale or discontinued operations.

The decrease in **capital expenditure** in Italy and Spain is essentially attributable to a reduction in customer acquisition efforts, only partially offset by greater capital expen-

diture in Italy in the e-City business and in Latin America in the Distributed Energy business.



HOLDING AND SERVICES

Performance⁽¹⁾

Millions of euro				
	2023	2022	Change	
Revenue	2,045	2,050	(5)	-0.2%
Gross operating profit/(loss)	(609)	(180)	(429)	-
Ordinary gross operating profit/(loss)	(319)	(168)	(151)	-89.9%
Operating profit/(loss)	(858)	(409)	(449)	-
Ordinary operating profit/(loss)	(569)	(398)	(171)	-43.0%
Capital expenditure	190 ⁽²⁾	219	(29)	-13.2%

(1) The figures for 2022 have been restated to include Enel X Way in the End-user Markets Business Line, as they were previously shown among Holding, Services and Other.

(2) The figure does not include €3 million regarding units classified as held for sale or discontinued operations.

The following tables show a breakdown of performance by geographical area in 2023.

Revenue⁽¹⁾

Millions of euro				
	2023	2022	Change	
Italy	734	729	5	0.7%
Iberia	501	488	13	2.7%
Rest of the World	-	-	-	-
Latin America	-	(1)	1	-
North America	-	1	(1)	-
Europe	-	-	-	-
Other	1,028	1,041	(13)	-1.2%
Eliminations and adjustments	(218)	(208)	(10)	-4.8%
Total	2,045	2,050	(5)	-0.2%

(1) The figures for 2022 have been restated to include Enel X Way in the End-user Markets Business Line, as they were previously shown among Holding, Services and Other.

Revenue for 2023 is essentially in line with 2022 and mainly refer to IT services, management fees, personal services,

vehicle management, contract work, rental fees and other services provided to the other business lines.

Ordinary gross operating profit/(loss)⁽¹⁾

Millions of euro

	2023	2022	Change	
Italy	56	89	(33)	-37.1%
Iberia	39	(5)	44	-
Rest of the World	(132)	(119)	(13)	-10.9%
Latin America	(132)	(117)	(15)	-12.8%
- of which Argentina	(5)	(3)	(2)	-66.7%
- of which Brazil	(37)	(23)	(14)	-60.9%
- of which Chile	(89)	(91)	2	2.2%
- of which Peru	(1)	-	(1)	-
North America	(2)	(2)	-	-
Europe	2	-	2	-
Africa, Asia and Oceania	-	-	-	-
Other	(282)	(133)	(149)	-
Total	(319)	(168)	(151)	-89.9%

(1) The figures for 2022 have been restated to include Enel X Way in the End-user Markets Business Line, as they were previously shown among Holding, Services and Other.

The increase in the **ordinary gross operating loss** in 2023 is mainly attributable to the increased provisions for risks and charges set aside by Enel Insurance following requests related to adverse weather conditions.

The **gross operating loss** increased from 2022 as a result of the factors noted in relation to ordinary gross operating profit and the extraordinary solidarity levy and the charges for the energy transition and digitalization in Spain, of €208 million and €81 million respectively.

Ordinary operating profit/(loss)⁽¹⁾

Millions of euro

	2023	2022	Change	
Italy	(12)	20	(32)	-
Iberia	(5)	(39)	34	87.2%
Rest of the World	(143)	(122)	(21)	-17.2%
Latin America	(142)	(120)	(22)	-18.3%
- of which Argentina	(5)	(3)	(2)	-66.7%
- of which Brazil	(42)	(26)	(16)	-61.5%
- of which Chile	(93)	(91)	(2)	-2.2%
- of which Peru	(2)	-	(2)	-
North America	(2)	(1)	(1)	-
Europe	1	(1)	2	-
Africa, Asia and Oceania	-	-	-	-
Other	(409)	(257)	(152)	-59.1%
Total	(569)	(398)	(171)	-43.0%

(1) The figures for 2022 have been restated to include Enel X Way in the End-user Markets Business Line, as they were previously shown among Holding, Services and Other.

The **ordinary operating loss** for 2023 is essentially in line with the increase in the ordinary gross operating loss, taking account of the €20 million increase in depreciation, amortization and impairment losses.

The **operating loss** for 2023 reflects the factors described in relation to the gross operating loss, as well as higher depreciation, amortization and impairment in the amount of €20 million.

Capital expenditure⁽¹⁾

Millions of euro

	2023	2022	Change	
Italy	74	115	(41)	-35.7%
Iberia	21	27	(6)	-22.2%
Rest of the World	8	5	3	60.0%
Latin America	8	5	3	60.0%
North America	-	-	-	-
Europe	-	-	-	-
Other	87	72	15	20.8%
Total	190⁽²⁾	219	(29)	-13.2%

(1) The figures for 2022 have been restated to include Enel X Way in the End-user Markets Business Line, as they were previously shown among Holding, Services and Other.

(2) The figure does not include €3 million regarding units classified as held for sale or discontinued operations.

The decrease in **capital expenditure** in 2023 in Italy is mainly attributable to reduced capital expenditure by Enel

Italia SpA for the redevelopment of its headquarters in Rome.

ENEL SHARES

Enel and the financial markets

	2023	2022
Gross operating profit per share (euro) ⁽¹⁾	1.99	1.96
Operating profit per share (euro) ⁽¹⁾	1.07	1.10
Group profit per share (euro) ⁽¹⁾	0.34	0.17
Group ordinary profit per share (euro) ⁽¹⁾	0.64	0.53
Dividend per share (euro)	0.430	0.40
Group equity per share (euro) ⁽¹⁾	3.12	2.82
Share price – 12-month high (euro)	6.73	7.20
Share price – 12-month low (euro)	5.17	4.00
Average share price in December (euro)	6.63	5.15
Market capitalization (millions of euro) ⁽²⁾	67,369	52,325

(1) The number of shares considered to calculate the index is 10,166,679,946 and includes 9,262,330 treasury shares in 2023 and 7,153,795 treasury shares in 2022.

(2) Calculated on average share price in December.

		at Dec. 31, 2023	at Dec. 31, 2022
Rating			
Standard & Poor's	Outlook	STABLE	NEGATIVE
	Medium/long-term	BBB	BBB+
	Short-term	A-2	A-2
Moody's	Outlook	NEGATIVE	NEGATIVE
	Medium/long-term	Baa1	Baa1
	Short-term	-	-
Fitch	Outlook	STABLE	STABLE
	Medium/long-term	BBB+	BBB+
	Short-term	F2	F2

The global macroeconomic environment in 2023 was characterized by a broad decline in the real economy. The restrictive monetary policy stances adopted by central banks to counter inflationary pressures, the deterioration in financial and credit conditions, and the decline in trade and investment at the global level caused a slow-down in global growth, with GDP estimated to have grown by around 3% on an annual basis (slightly down compared with 2022).

In this context, the main European stock indices – after a 2022 characterized by a general decline – closed 2023 on the rise: FTSE-MIB +28%, Ibex35 +22.8%, DAX +20.3% and CAC40 +16.5%.

The euro area utilities index (EURO STOXX Utilities) closed the year with a gain of +11.9%.

Finally, as regards the Enel stock, 2023 ended with a price of €6.73 per share, a sharp rise (+33.8%) on the previous year, outperforming both the Italian index and the European sectoral index.

On January 25, 2023 Enel paid an interim dividend of €0.20 per share from 2022 profits and on July 26, 2023 it paid the balance of the dividend for that year in the amount of €0.20. Total dividends distributed in 2023 amounted to €0.40 per share, more than 5% higher than the €0.38 per share distributed in 2022.

On January 24, 2024 an interim dividend of €0.215 per share was paid in respect of ordinary profit for 2023, while the balance of the dividend is scheduled for payment on July 24, 2024.

At December 31, 2023, institutional investors represented 58.6% of share capital (up from 56.7% at December 31, 2022), while the share of individual investors came to 17.8% (as against 19.7% at December 31, 2022). The interest of the Ministry for the Economy and Finance was unchanged at 23.6%.

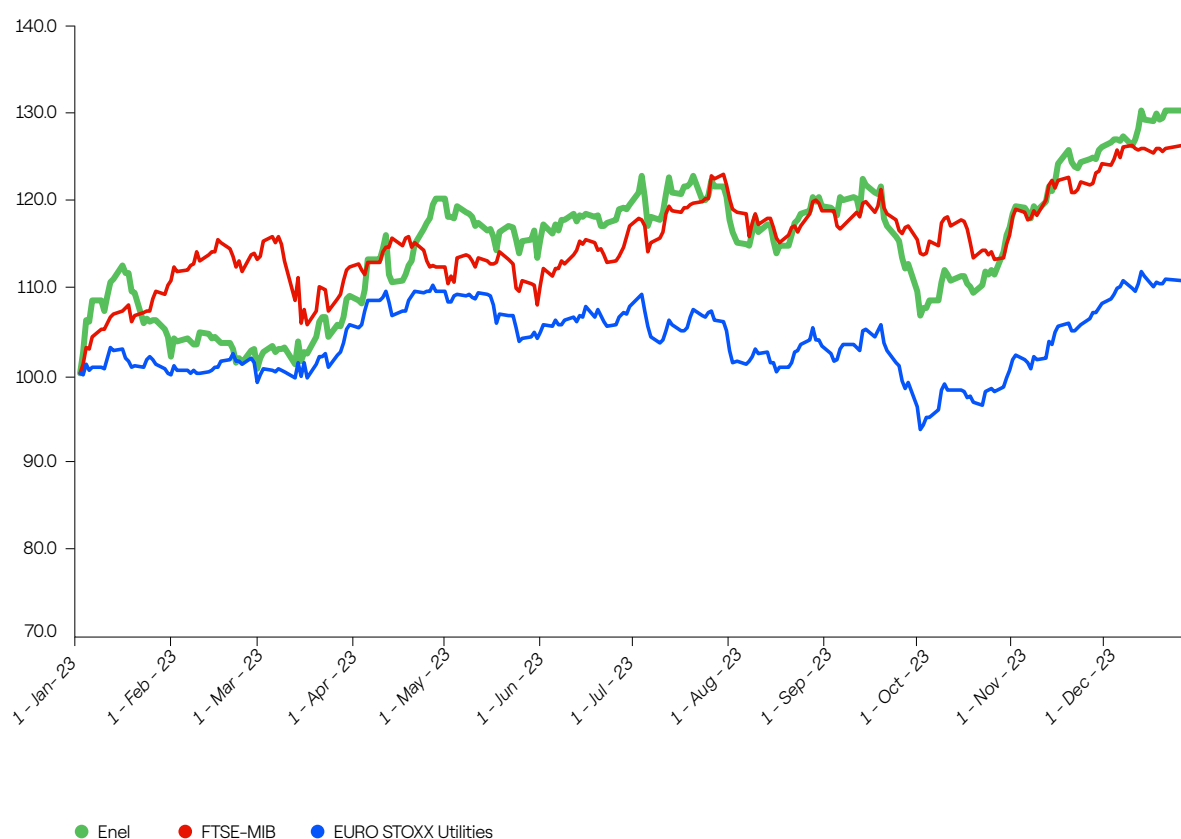
Socially responsible investors (SRIs) expanded their interest to about 17.5% of share capital at December 31, 2023 (up from 14.9% at December 31, 2022) and represent 29.8% of institutional investors (26.2% at December 31, 2022). Investors who have signed the Principles for Responsible Investment represent 42.8% of share capital (42.1% at December 31, 2022).

For further information we invite you to visit the Investor Relations section of our corporate website (<https://www.enel.com/investors/overview>) and download the “Enel Investor” app, which contains both economic and financial information (annual reports, semi-annual and quarterly

reports, presentations to the financial community, analyst estimates and stock market trading trends involving the shares issued by Enel and its main listed subsidiaries, ratings and outlooks assigned by rating agencies) and up-to-date data and documentation of interest to shareholders and bondholders in general (price sensitive press releases, outstanding bonds, bond issue programs, composition of Enel’s corporate bodies, bylaws and regulations of Shareholders’ Meetings, information and documentation relating to Shareholders’ Meetings, procedures and other documentation concerning corporate governance, the Code of Ethics and organizational and management arrangements).

We have also created contact centers for private investors (which can be reached by phone at +39-0683054000 or by e-mail at azionisti.retail@enel.com) and for institutional investors (phone: +39-0683057975; e-mail: investor.relations@enel.com).

PERFORMANCE OF ENEL SHARE PRICE AND THE EURO STOXX UTILITIES AND FTSE-MIB INDICES FROM JANUARY 1, 2023 TO DECEMBER 31, 2023



Source: Bloomberg.

INNOVATION

During 2023, the innovation area was given a new organizational structure that, in line with Group strategy, operates with a view to simplification and focus on the Group's priorities and promotion of an integrated, efficient and effective approach to innovation.

To address business challenges, we adopt an open innovation model, which enables us to connect all areas of the Company with startups, industrial partners, large companies, small and medium-sized enterprises (SMEs), research centers, universities and entrepreneurs – drawing in part on crowdsourcing platforms. The Group's innovation strategy exploits various tools that enable it to develop innovative and sustainable solutions, such as the online crowdsourcing platform openinnovability.com and a global network of Innovation Hubs and Labs, which forms the foundation of the collaboration model with startups and SMEs. While the latter offer innovative projects and new business models, Enel provides its expertise, facilities for the technical and financial validation of the proposed solutions in an industrial environment, and a global network of partners to support their development and possible scale-up. The Innovation Hubs, located in the most relevant innovation ecosystems for the Group, such as Europe and the United States, manage relationships with all the players involved in their respective areas and constitute the main source of scouting for startups and SMEs, responding to the innovation needs manifested by the business lines.

Collaboration with external players is thus a key element of the Group's innovation strategy. In fact, the Company has active partnership agreements which cover both the most strategic areas for the Group and those addressing major frontier issues (for example, the promotion of space applications in the energy sector, green hydrogen, and fourth generation nuclear). Through co-development with suppliers, the Group also seeks to implement innovative solutions quickly and effectively at the pre-commercial development level and leverages existing skills and the customization and transfer of solutions already adopted in other productive sectors.

In 2022, we voluntarily adopted the ISO 56002 standard

113

Proofs of Concept launched to test innovative solutions in 2023

46

solutions in scale-up phase in the business in 2023

for innovation management. The standard covers all aspects of innovation management, from the birth of an idea to its implementation on a global scale. During 2023, the UNI/PdR 155 practice "Management of sustainable innovation – Guidelines for the management of sustainable innovation processes in companies through open innovation" was developed in collaboration with UNI. The practice was published on the UNI website in December 2023. The document, of a pre-regulatory nature, is intended to offer practical support for any organization that wants to pursue the organizational and production changes necessary to implement an effective internal process of sustainable innovation management.

2023 saw the continuation of the activities of the innovation communities, multidisciplinary working groups created to innovatively address the most relevant new-technology issues for the business in order to create value for the Group (energy storage, blockchain, drones, metaverse, robotics, sensors, 3D printing, quantum computing, wearables, additive manufacturing, artificial intelligence, materials and hydrogen). The communities also continuously monitor technological improvements and share new business models, value-added services or use cases for types of technology that could be potentially implemented in different areas of the Enel Group.

During 2023, 113 Proofs of Concepts were launched to test new solutions, while 46 innovative solutions were identified by the business for large-scale implementation. Overall, €60 million (including personnel expenses) were invested in innovation.

Digitalization

In 2023, innovation activities in the field of cyber security benefited from the network of Innovation Hubs, as well as from their portfolio of startups and partnerships forged at the Group level.

These interconnections have enabled the sharing of best practices and operating models, as well as the construction and enhancement of info-sharing channels.

The main initiatives in this area are reported below:

- analysis of solutions based on quantum key distribution⁽⁴¹⁾ and quantum safe encryption algorithms⁽⁴²⁾ to improve understanding of how to go beyond current encryption models threatened by the future expansion of computational capacity offered by quantum computing;
- services and solutions to support software development to analyze open source code and third-party software libraries from the point of view of vulnerabilities and user licenses;
- analysis of browser isolation solutions (isolation of the browser from the network to prevent it from becoming an entry point for malicious actors) and browser security to understand the resilience of central protection techniques compared with distributed approaches;
- further development of solutions that exploit emerging technologies such as artificial intelligence and machine learning to enhance capabilities in detecting IT threats and automating the process of analysis, correlation and response to incidents;
- solutions for identifying vulnerabilities of assets and devices (IoT, web applications, etc.) with the help of innovative techniques;
- review of industrial environments through the implementation of a vulnerability identification process with scripts without impacting the operating environments;
- a study for the implementation of a multifactor authentication system for company systems, using a “passwordless” technique to replace the password with alternative secure solutions (for example, fingerprint authentication);
- analysis and scouting of solutions for the anonymization and masking of data in non-production environments and definition of the associated policy;
- analysis of solutions to prevent data loss to ensure compliance with protection requirements imposed by internal and external regulations;
- study and analysis of solutions for the management of cryptographic keys and business secrets;
- analysis of new anti-malware solutions to protect industrial environments;
- creation of the Cyber Harbor, an innovation center that brings together cyber security experts, companies, investors and the academic world to foster the creation of innovative and competitive projects in the IT security field for Italy;
- establishment of a communication channel with Italy's National Cybersecurity Authority (NCA) for the creation of the Hyper SOC, an infrastructure for the aggregation, correlation and analysis of events of interest to ensure the early identification of emerging threats and coordinate responses to deal with them effectively.

(41) Cryptographic technique for distributing symmetrical keys based on the principles of quantum physics.

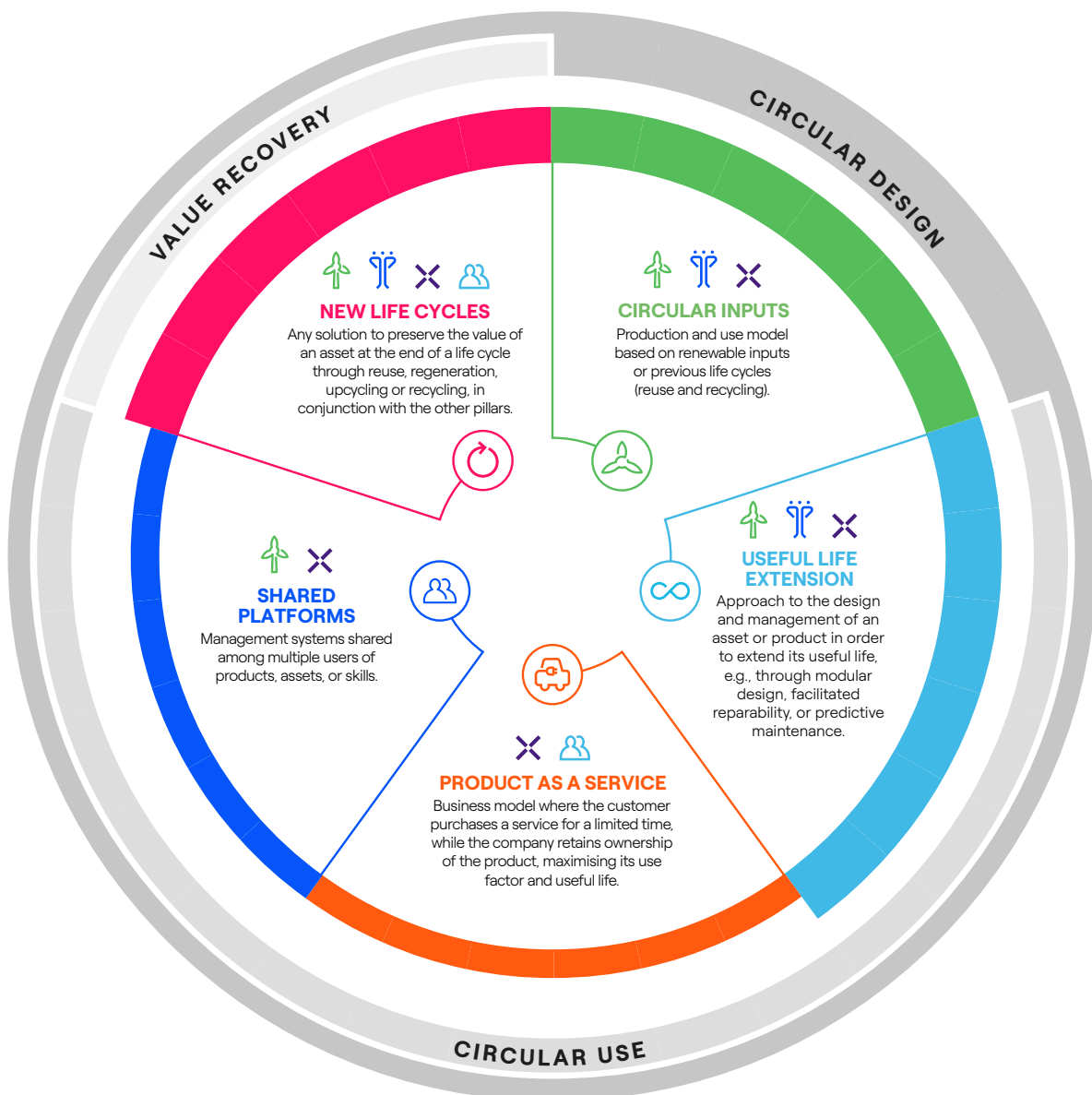
(42) Encryption protocols based on algorithms and characteristics considered sufficiently secure against threats posed by the computational capacity of quantum computers.

The circular economy

For the Group, the circular economy is a strategic lever to support our decarbonization roadmap. It involves a steady expansion of energy production from renewable sources and the consequent abandonment of fossil fuels, offering a path towards a fair and inclusive transition. Achieving these objectives requires a profound transformation of the energy system and, at the same time, entails a different and growing need for raw materials and new approaches to managing assets, such as the distribution grid and generation plants.

The circular economy model adopted by the Group seeks to redesign the entire value chain of the goods used, not only to reduce consumption of raw materials but also to

limit the associated environmental, social, economic and geopolitical impacts and risks: in other words, to make the business model more sustainable and competitive. The Group's vision encompasses all the different life phases of a product and is based on five pillars: circular inputs (inputs from renewables, recycling, reuse), extension of useful life (through modular design, facilitated reparability and maintenance predictive), product as a service (the Company provides the customer with a service and retains ownership of the product, maximizing its use factor and useful life), shared platforms (shared use of an asset among multiple users), new life cycles (recovery of the value of goods and materials, for example through reuse and recycling).



The Group's initiatives focus mainly on three of the five pillars, namely circular inputs, useful life extension and new life cycles.

With regard to circular inputs, during the tender phase suppliers of core components⁽⁴³⁾ are asked to specify the quantities of each material used in the production processes, indicating the share of recycled and recyclable material to support assessments in the selection phase. One example of the reduction in the use of input resources is the 3SUN Gigafactory project in Catania, which is intended to ensure greater independence for the photovoltaic supply chain, not only by bringing the production of cells and panels onto European soil, but also by using innovation to reduce the intensity of silicon use and building a diversified and sustainable supply chain. In 2023 3SUN worked on the development of the new production site and, from 2024, a new type of high-efficiency panel with HJT technology will optimize the quantity of silicon used, using layers of the material with a 15% smaller thickness.

With regard to extending useful life, in addition to using predictive repair and maintenance in the global management of power distribution and generation assets, the Group is also working on innovative solutions. For example, the Pioneer project in Italy involves Enel collaborating with ADR - Aeroporti di Roma on the development of a storage system that reuses end-of-life batteries from electric vehicles. During 2023, the detailed design of the plant was completed: with a storage capacity of 10 MWh, it involves the reuse of 786 second-life batteries.

With regard to the new life cycle pillar, initiatives are also under way in all the countries in which the Group operates to ensure the systematic reuse, both internally and through sale, of obsolete or unused generation equipment that still retains a useful residual life, or the recycling of materials recovered from maintenance activities on the distribution grid. Specifically, the Equipment New Life Program, which is active around the world for all generation technologies, seeks to give new life to components held in power plant inventories, to the equipment of decommissioned power plants and to plants undergoing repowering. In 2023, the project generated approximately €23 million in economic value, of which approximately €13.8 million in the form of costs avoided through the internal reuse of spare parts and equipment in all plants and €9.2 million from sales.

In order to identify areas requiring attention and related priorities concerning materials, and to consequently update the portfolio of projects and initiatives, an internal working group has been operating since 2020 with the participation of all the relevant areas of the Group. The working group's activities begin with a systematic analysis of raw material requirements for generation and distribution assets, solutions for customers and digital assets. Environmental, social, economic and geopolitical impacts and risks are then assessed, mainly with respect to the extraction and production phases of raw materials. Intervention priorities are then identified and a mitigation plan is developed, leveraging circular economy projects that reduce the consumption of raw materials, particularly critical materials.



(43) The core categories are those strategic for the business, including wind turbines, inverters, smart meters, photovoltaics, switches, panels, cables, transformers, charging stations, street lighting, smart home solutions and storage systems.

PEOPLE CENTRICITY

People management and development at Enel

The Enel Group workforce at December 31, 2023 numbered 61,055 (65,124 at December 31, 2022). The contraction of 4,069 in the Group workforce in 2023 reflects negative balance between new hires and terminations during the period (-201) plus the negative impact of the change in the consolidation scope (-3,868), which included:

- the sale of Enel Generación Costanera SA in Argentina;
- the sale of Central Dock Sud SA in Argentina;
- the sale of Usme ZE SAS and Fontibón ZE SAS in Colombia;

- the sale of Avikiran Solar India Private Limited in India;
- the sale of Enel Green Power Australia in Australia;
- the sale of all companies in Romania;
- the sale of Enel Green Power Hellas and all companies in Greece.

The following tables analyze the number and variation in employees by gender, age group, job classification and geographical area. An analysis by business line is also provided for the number of employees only.

Year-end workforce

		2023	2022	Change	
Employees by gender:	no.	61,055	65,124	(4,069)	-6.2%
- of which men	no.	47,202	49,899	(2,697)	-5.4%
	%	77.3	76.6	0.7	0.9%
- of which women	no.	13,853	15,225	(1,372)	-9.0%
	%	22.7	23.4	-0.7	-3.0%
Employees by age group:	no.	61,055	65,124	(4,069)	-6.2%
- <30	no.	7,661	8,543	(882)	-10.3%
	%	12.5	13.1	-0.6	-4.6%
- 30-50	no.	35,111	36,795	(1,684)	-4.6%
	%	57.6	56.5	1.1	1.9%
- >50	no.	18,283	19,786	(1,503)	-7.6%
	%	29.9	30.4	-0.5	-1.6%
Employees by level:	no.	61,055	65,124	(4,069)	-6.2%
- senior manager	%	2.1	2.1	-	-
- middle manager	%	20.3	19.4	0.9	4.6%
- office staff	%	51.3	53.2	-1.9	-3.6%
- blue collar	%	26.3	25.3	1.0	4.0%
Employees by geographical area:	no.	61,055	65,124	(4,069)	-6.2%
- Italy	no.	31,470	31,664	(194)	-0.6%
	%	51.5	48.6	2.9	6.0%
- Iberia	no.	9,504	9,643	(139)	-1.4%
	%	15.6	14.8	0.8	5.4%
- Rest of the World	no.	20,081	17,361	2,720	15.7%
	%	28.6	26.7	1.9	7.1%
- Latin America	no.	17,471	17,361	110	0.6%
	%	28.6	26.7	1.9	7.1%
- Europe	no.	139	3,532	(3,393)	-96.1%
	%	0.2	5.4	-5.2	-96.3%
- North America	no.	1,747	2,100	(353)	-16.8%
	%	2.9	3.2	-0.3	-9.4%
- Africa, Asia and Oceania	no.	724	824	(100)	-12.1%
	%	1.2	1.3	-0.1	-7.7%

Workforce by business line

No.				
	at Dec. 31, 2023	at Dec. 31, 2022	Percentage of total continuing operations at Dec. 31, 2023	Percentage of total continuing operations at Dec. 31, 2022
Thermal Generation and Trading	5,725	6,447	9.3%	10.4%
Enel Green Power	8,891	9,397	14.6%	15.2%
Enel Grids	30,946	30,262	50.7%	49.0%
End-user Markets	8,926	8,293	14.6%	13.5%
Holding and Services	6,567	7,325	10.8%	11.9%
Total continuing operations	61,055	61,724	100.0%	100.0%
Total discontinued operations	-	3,400		
TOTAL	61,055	65,124		

Change in workforce

Balance at December 31, 2022	65,124
Hirings	3,837
Terminations	(4,038)
Change in the consolidation scope	(3,868)
Balance at December 31, 2023	61,055

Breakdown of changes in workforce

		2023	2022	Change	
Hiring rate	%	6.3	9.8	-3.5	-35.7%
New hires by gender:	no.	3,837	6,412	(2,575)	-40.2%
- of which men	no.	3,153	4,356	(1,203)	-27.6%
	%	82.2	67.9	14.3	21.1%
- of which women	no.	684	2,056	(1,372)	-66.7%
	%	17.8	32.1	-14.3	-44.5%
New hires by age group:	no.	3,837	6,412	(2,575)	-40.2%
- <30	no.	1,627	3,359	(1,732)	-51.6%
	%	42.4	52.4	-10.0	-19.1%
- 30-50	no.	2,054	2,905	(851)	-29.3%
	%	53.5	45.3	8.2	18.1%
- >50	no.	156	148	8	5.4%
	%	4.1	2.3	1.8	78.3%
New hires by geographical area:	no.	3,837	6,412	(2,575)	-40.2%
- Italy	no.	1,036	2,866	(1,830)	-63.9%
	%	27.0	44.7	-17.7	-39.6%
- Iberia	no.	395	741	(346)	-46.7%
	%	10.3	11.6	-1.3	-11.2%
- Rest of the World	no.	2,406	2,805	(399)	-14.2%
	%	62.7	43.7	19.0	43.5%
- Latin America	no.	1,921	1,542	379	24.6%
	%	50.1	24.0	26.1	-
- Europe	no.	104	443	(339)	-76.5%
	%	2.7	6.9	-4.2	-60.9%
- North America	no.	253	614	(361)	-58.8%
	%	6.6	9.6	-3.0	-31.3%
- Africa, Asia and Oceania	no.	128	206	(78)	-37.9%
	%	3.3	3.2	0.1	3.1%

		2023	2022	Change	
Turnover rate	%	6.6	6.8	-0.2	-2.9%
Terminations by gender:	no.	4,038	4,414	(376)	-8.5%
- of which men	no.	3,093	3,391	(298)	-8.8%
	%	76.6	76.8	-0.2	-0.3%
- of which women	no.	945	1,023	(78)	-7.6%
	%	23.4	23.2	0.2	0.9%
Terminations by age group:	no.	4,038	4,414	(376)	-8.5%
- <30	no.	497	655	(158)	-24.1%
	%	12.3	14.8	-2.5	-16.9%
- 30-50	no.	1,804	1,759	45	2.6%
	%	44.7	39.9	4.8	12.0%
- >50	no.	1,737	2,000	(263)	-13.2%
	%	43.0	45.3	-2.3	-5.1%
Terminations by geographical area:	no.	4,038	4,414	(376)	-8.5%
- Italy	no.	1,230	1,224	6	0.5%
	%	30.5	27.7	2.8	10.1%
- Iberia	no.	534	578	(44)	-7.6%
	%	13.2	13.1	0.1	0.8%
- Rest of the World	no.	2,724	2,612	(338)	-12.9%
	%	56.3	59.2	-2.9	-4.9%
- Latin America	no.	1,348	1,534	(186)	-12.1%
	%	33.4	34.8	-1.4	-4.0%
- Europe	no.	174	454	(280)	-61.7%
	%	4.3	10.3	-6.0	-58.3%
- North America	no.	606	428	178	41.6%
	%	15.0	9.7	5.3	54.6%
- Africa, Asia and Oceania	no.	146	196	(50)	-25.5%
	%	3.6	4.4	-0.8	-18.2%

Training and development

The rapid, ongoing evolution of our business and the support of our strategy in a rapidly changing global environment have resulted in a need for new technical and professional skills. For this reason, ongoing employee training and strategies of upskilling (training and empowerment programs to improve performance within a given role) and reskilling (learning new skills and capabilities that enable people to fill new positions) are of increasing importance. In 2023, in support of these strategies, we provided a total of about 3.1 million hours of training, an average of about 48 hours per employee, exceeding the target of an av-

erage of 45.5 hours per employee. Of these, 44.8% were dedicated to up/reskilling, an increase on the previous year (42% in 2022). Total training costs came to about €27 million in 2023.

This was made possible by the upgrading of digital tools and the E-Ducation platform, which gives broad access, including remotely, to training content concerning conduct, technical issues, safety and reskilling, working in co-operation with academic partners.

Average training hours per employee

		2023	2022	Change	
Average number of training hours	hrs/person	48.1	47.4	0.7	1.5%
Average number of training hours by level:					
- senior manager	hrs/person	34.0	44.1	(10.1)	-22.9%
- middle manager	hrs/person	42.9	47.4	(4.5)	-9.5%
- office staff	hrs/person	40.3	43.0	(2.7)	-6.3%
- blue collar	hrs/person	69.3	57.1	12.2	21.4%
Average number of training hours by gender:					
- men	hrs/person	50.7	48.3	2.4	5.0%
- women	hrs/person	39.7	44.3	(4.6)	-10.4%

In 2023, with regard to the development and assessment of Enel's people, we continued with the Open Feedback Evaluation (OFE) program, a mechanism for the constant, 360° collection of feedback from all employees, thereby creating an ongoing dialogue within the organization. The process is conducted on a half-yearly cycle and assesses "Generosity", meaning a propensity for interacting with others; and "Action", i.e. the ability to achieve professional objectives, as assessed by superiors.

With a view to fostering and developing the individual, 2023 saw an increase in the use of tools such as job shadowing, mentoring and coaching.

During 2023, the annual process of managing Succession Plans for management positions saw an increase in the percentage of female successors (47.2%). Together with other confirmed selection criteria for the identification of successors, gender criteria take account of the commitments made by the Enel Group regarding diversity and inclusion, further enhancing these aspects.

Succession planning has also been extended to key non-management positions, involving new position holders (heads of organizational positions). This expansion enabled the identification of new successors, both ready and in the pipeline (with consideration of gender issues), for whom an *ad hoc* development and training program has been developed.

Listening and enhancing wellness

In 2023, listening activities were carried out through the first Global Inclusive Survey exploring people's general perception of inclusion in the working environment at all organizational levels. 48% of eligible people responded (over 61,000). The findings of the survey underscore the good level of perceived general inclusion of people: the average respondent assessment of this aspect was equal to 4.5 out of 6, and 87% of people had either a positive or very positive evaluation.

Since 2021, Enel has developed a global Well-being model using a co-creation approach based on eight pillars: emotional, physical, social, ethical, financial and cultural well-being, a sense of protection and work-life harmony. Following the analysis of the results of the Well-being & Motivation survey, which was launched in 2022 in order to gain an understanding of the evolution of organizational well-being and to refine initiatives designed to improve it, meetings were held to share the findings, using webinars coordinated by management in the various countries. At the global level, projects were developed in 2023 to enhance the well-being of people, teams and managers in the organization. The general well-being index measured by the survey in 2022 was 60% globally. This represents the

percentage of respondents who are quite or very satisfied with their general well-being (personal and working life).

Last year was the first year of full operation of the Global Well-being Program, which is intended to increase the awareness of all people on their level of well-being by engaging them through self-assessment tests, webinars, newsletters and other dedicated activities. The program is associated with an incentive mechanism that rewards the virtuous behavior of those who participate in the program every six months. During 2023, over 26,000 employees (43% of Enel's people) actively participated, while over 4,000 rewards were distributed globally to people who used all the content of the program.

The pilot project "Well-being leaders, Happy teams" tested a new intervention method to support teams with lower perceived well-being, using the Well-being Index as the selection criterion. In addition, by listening to the managers of teams with a very high perceived well-being, the project identified distinctive characteristics and virtuous behaviors to be disseminated within the Company in order to reinforce well-being-oriented leadership.

To facilitate the diffusion of a culture of well-being and identify situations calling for improvement, the first

well-being ambassadors – promoters of enabling behaviors, listening and guidance figures for people who request help – have been selected and trained in the main Group countries.

Services and initiatives that help care for your personal and family mental and physical well-being are also avail-

able at the local level. Free or subsidized psychological support services are available for more than 98% of Enel's people, while physical well-being services are available for over 90%. The CREW – Enel Cycle, Run & Walk Challenge project is also active globally: it promotes the physical well-being associated with sustainable mobility, involving over 3,500 Enel participants in 2023.

The levers of inclusion at Enel

At Enel, attention to uniqueness and care for people are key elements for generating well-being and motivation and are levers for creativity, innovation and the achievement of valuable results for our people and the entire organization. The approach to diversity and inclusion is based on the principles of non-discrimination, equal opportunities, personal dignity, inclusion regardless of any form of diversity, and work-life balance. This approach is embodied in a comprehensive set of actions that promote an attention to and expression of individuality, a culture of inclusiveness without prejudice, and a coherent mix of talents, qualities and experience, all of which creates value for our people and for our business, which is transitioning towards a decarbonized economy, acknowledged globally as a flywheel for guiding various forms of diversity towards the world of work.

The approach has been ratified in our Charter for the Individual, a protocol of intent that Enel signed on March 29, 2022, underscoring the importance of personal well-being and integrity in an environment in which well-being, productivity, continuous learning and security can reinforce each other, contributing to the greatest fulfillment of the person and the achievement of results.

The principles expressed in the Charter for the Individual with regard to the participation, well-being, inclusion and security of each worker inspired the renewal in 2023 of the Global Framework Agreement (GFA) – originally signed in 2013 – with the Italian industry federations and the global federations IndustriALL and Public Services International. Industrial relations are addressed at Group level in accordance with the model envisaged in the GFA, which is recognized as a reference best practice for European and non-European multinationals. The agreement is based on international principles for human rights and business and is inspired by the best and most advanced transnational industrial relations systems used in multinational groups and key institutions at the international level.

The milestones that have brought us to today began back in 2013 with publication of our Human Rights Policy (updat-

ed in 2021). This was followed in 2015 by Enel's adoption of the seven Women's Empowerment Principles (WEPS) promoted by the UN Global Compact and UN Women and the parallel publication of the Diversity and Inclusion Policy, which defines the principles of non-discrimination, equal opportunities, dignity, work-life balance, and inclusiveness regardless of any form of diversity. In 2019, our Workplace Harassment Policy⁽⁴⁴⁾ introduced the issues of individual respect, integrity and dignity in the workplace into the prevention of all types of harassment. These principles were shared in 2020 in the Statement Against Harassment in the workplace.⁽⁴⁵⁾ We also created a Digital Accessibility section on the Enel intranet. It is designed to ensure equal opportunities in access to digital systems and information.

In recent years, intensive awareness-raising efforts have enabled the dissemination and strengthening of a culture of inclusion at all levels and in all settings within the organization by way of communication campaigns and local and global events. The most important initiatives undertaken in 2023 include the expansion of local Employee Resources Groups, important networks and/or communities that fuel conversations within the Group on a variety of issues concerning inclusion and diversity and offer an opportunity to sharing views on female empowerment, parenting, caregiving, disability, intergenerational and intercultural relations and the LGBTQ+ community. The delivery of Beyond Bias training courses continued throughout the Group, enabling the identification of the main prejudices that may be encountered in the workplace. Adopting an ironic and surreal tone, the course suggests how to prevent these biases by offering interesting food for thought. The Workplace Harassment training course describes forms of harassment and discrimination related to age, disability, LGBTQ+ status and sexual orientation. To spread the principles of inclusive design, the training activity "Accessibility and Design for all Awareness" was also offered globally. It represents a design approach whose fundamental objective is the conception and creation of spaces, products and services that are themselves accessible to

(44) The Workplace Harassment Policy is an internal corporate publication.

(45) <https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/enel-statement-against-harassment.pdf>.

all. The course aims to raise awareness and train people in an increasingly inclusive culture, spreading awareness of the application Design for All principles.

Promoting a culture of inclusiveness at Enel also involves target setting and measurement. It is an approach that is encapsulated in a comprehensive plan of actions measured using a broad set of KPIs for which commitments approved by the corporate bodies have been made. These commitments include: balancing the percentage of women in hiring processes; increasing the representation of women in senior and middle management and in succession plans; increasing the number of female students involved in awareness initiatives in Science, Technology, Engineering and Math (STEM) fields; promoting projects for the inclusion of employees with disabilities at all stages of the employee journey; and fostering the dissemination of a bias-free culture sensitive to intercultural diversity.

More specifically, our strategy for gender equality is organized into various lines of action. We are working to increase the presence of women in hiring processes, with a positive trend being registered in 2023 as well (52%), confirming the Group's commitment to achieving this goal. In terms of women in management positions, we have seen both the number and the percentage of female managers continue to climb, increasing by 1.3 percentage points in 2023 (from 24.9% in 2022 to 26.2% in 2023). The percentage of women middle managers also increased (from 32.6% in 2022 to 33.1% in 2023). Actions to value the contribution of women throughout the organization, and not just in senior positions, have also continued, and the effects of these efforts will be better seen over the medium to long term, due in part to generational dynamics. Among the actions taken globally, the performance target for "the percentage of women in top management succession plans at the end of 2025" has been confirmed in the 2023 Long-Term Incentive Plan with a weighting of 10% of the total in order to strengthen and lend greater continuity to a policy to establish a suitable platform for management appointments into the coming years.

Over the years, we have also increased our commitment to promote the presence of women in STEM training and careers in collaboration with schools and government, so as to overcome gender stereotypes and promote the importance of STEM and its integration with the humanities.

These STEM awareness and orientation initiatives involved more than 7,800 female secondary-school students in 2023 and more than 37,000 female students over the last seven years.⁽⁴⁶⁾

On the issue of disabilities, Enel provides equipment, services, working methods and other initiatives to create an inclusive climate for work and relationships for all that provides full autonomy at work regardless of the disability. Worldwide, we have more than 2,000 employees with disabilities. The issue is particularly relevant in Italy (with more than 1,500 employees with disabilities, more than 73% of the Group total).

Since Enel's participation in the global Valuable 500 initiative in 2019, initiatives involving disability issues have been grouped within the Value for Disability project, aimed at seizing potential business and promoting inclusion among employees and customers with disabilities by designing specific global and local plans of action. The project has engendered widespread commitment to the issue and given rise to initiatives in all countries, with an impact on the inclusion of people with disabilities in relation to the different aspects of their experience in the organization and on cultural change.

Each country with at least one employee with a disability has a focal point for hearing and responding to specific needs and designing dedicated actions, as provided for in the Diversity and Inclusion Policy.

Many countries have also organized initiatives focused on intercultural and intergenerational issues and on the LGBTQ+ community.

Finally, to promote parenthood and caring for all people who find themselves in circumstances that have an impact on work, the Parental Program supporting the parenting experience has continued, as has the expansion of the MaCro@Work Caring Program for employees with chronic disorders and vulnerabilities in the various countries.

The table below shows Enel's commitment to diversity and inclusion, including the percentage of employees with disabilities, the number of women in senior and middle management, and the ratio of the average salaries of women to those of men.

(46) Beginning in 2022, the figure only includes initiatives targeting primary and secondary schools.

Diversity and inclusion

		2023	2022	Change	
Disabled personnel or personnel belonging to protected categories	%	3.4	3.3	0.1	3.0%
Women in senior and middle management	no.	4,447	4,463	(16)	-0.4%
Percentage of women in senior and middle management	%	32.5	31.8	0.7	2.2%
Percentage of women in management succession plans	%	47.2	46.1	1.1	2.4%
Percentage of women in senior management succession plans	%	50.4	49.6	0.8	1.6%
Base salary and remuneration ratios					
Ratio of base salary women-to-men:					
- senior manager	%	84.5	83.9	0.6	0.7%
- middle manager	%	93.9	92.8	1.1	1.2%
- office staff	%	92.1	88.8	3.3	3.7%
- blue collar	%	101.4	125.0	-23.6	-18.9%
Ratio of base remuneration women-to-men:					
- senior manager	%	81.4	80.7	0.7	0.9%
- middle manager	%	92.8	91.9	0.9	1.0%
- office staff	%	92.5	89.3	3.2	3.6%
- blue collar	%	102.1	125.4	-23.3	-18.6%

Workplace health and safety

At Enel, people's health, safety and mental and physical integrity are considered the most precious assets, to be protected at every moment of life, at work, at home and in their free time. For this reason, we are committed to developing processes and creating increasingly healthier and safer workspaces, both for employees and for anyone who works with Enel, promoting dedicated training courses in this arena.

To make this commitment clear and evident to all Group employees as well as external stakeholders, Enel has developed and disseminated a Health and Safety Policy, which sets out the guiding principles, strategic objectives, approach and action guidelines for the continuous improvement of health and safety performance. The areas in which Enel is committed to achieving its targets are also specified: first and foremost, we find people, understood both as internal employees and contractors working with the Group, followed by processes and innovative technologies supporting accident prevention. Consistent with the

values expressed and assumed in the Health and Safety Policy, a Stop Work Policy has also been issued. It seeks to make Enel employees and contractor companies responsible for managing potential risk situations regarding health, safety and the environment. In fact, all workers can stop any activity deemed risky for health, safety and environmental protection, following a "no blaming" approach.⁽⁴⁷⁾

Enel also promotes, implements and continuously updates its Health and Safety Management Systems, in compliance with the internal policies referred to earlier as well as with the international ISO 45001 standard. Enel SpA's Management System provides guidance and a uniform approach for all Group companies: the business lines and the countries then have the task of implementing that system at the local level, based on the specific features of their regulatory and business environment, and verifying its correct implementation in the field.

(47) The principle under which no blame or liability is attributable to an employee or contractor who reports a risk situation.

		2023	2022	Change	
Hours worked	millions of hours	385.898	427.847	(41.949)	-9.8%
Enel	millions of hours	120.546	123.624	(3.078)	-2.5%
Contractors	millions of hours	265.352	304.223	(38.871)	-12.8%
Total Recordable Injuries (TRI)⁽¹⁾	no.	726	962	(236)	-24.5%
Enel	no.	176	153	23	15.0%
Contractors	no.	550	809	(259)	-32.0%
Total Recordable Injury Frequency Rate (TRI FR)⁽²⁾	i	1.88	2.25	(0.37)	-16.4%
Enel	i	1.46	1.24	0.22	17.7%
Contractors	i	2.07	2.66	(0.59)	-22.2%
Fatal injuries (FAT)	no.	11	6	5	83.3%
Enel	no.	3	1	2	-
Contractors	no.	8	5	3	60.0%
Fatal Injury Frequency Rate (FAT FR)	i	0.029	0.014	0.015	-
Enel	i	0.025	0.008	0.017	-
Contractors	i	0.030	0.016	0.014	87.5%
Life Changing Accidents (LCA)⁽³⁾	no.	1	2	(1)	-50.0%
Enel	no.	-	-	-	-
Contractors	no.	1	2	(1)	-50.0%
Life Changing Accidents (LCA) Frequency Rate	i	0.003	0.005	(0.002)	-40.0%
Enel	i	-	-	-	-
Contractors	i	0.004	0.007	(0.003)	-42.9%
Lost Time Injury Frequency Rate with days lost (ACC>3 FR)⁽⁴⁾	i	0.50	0.36	0.14	38.9%
Enel	i	0.59	0.48	0.11	22.9%
Contractors	i	0.46	0.31	0.15	48.4%
Lost Time Injury Frequency Rate with days lost (LTI FR)⁽⁵⁾	i	0.61	0.50	0.11	22.0%
Enel	i	0.72	0.56	0.16	28.6%
Contractors	i	0.56	0.48	0.08	16.7%
High Potential Accidents Frequency Rate (HiPo FR)⁽⁶⁾	i	0.070	0.072	(0.002)	-2.8%
Enel	i	0.050	0.057	(0.007)	-12.3%
Contractors	i	0.079	0.079	-	-

(1) Total Recordable Injuries (TRI): this includes all incidents that have caused injuries, including lost time injuries, incidents requiring the administration of first aid, or incidents that did not result in lost time.

(2) Total Recordable Injury Frequency Rate (TRI FR): as for all the frequency rates for the various types of incidents, this is calculated as the ratio of number of events to total hours worked (in millions).

(3) Life Changing Accidents (LCAs): injuries whose health consequences caused permanent changes in the life of the individual (e.g., amputation of a limb, paralysis, extensive and visible scarring, etc.). Beginning with the 2021 reporting cycle, the metric Life Changing Accidents replaced High Consequence Injuries following efforts to standardize safety reporting within the organization. Therefore, the figures for 2020 and 2019 have been recalculated in line with this new approach.

(4) Lost Time Injury Frequency Rate with days lost (ACC>3 FR) is calculated considering accidents in which the worker lost at least three days of work.

(5) Lost Time Injury Frequency Rate (LTI FR) is calculated considering all injuries that have resulted in at least one day of absence from work.

(6) High Potential Accidents Frequency Rate (HiPo FR): all injuries the characteristics of which have a high potential for causing a life changing or fatal event.

Compared with 2022, the number of accident events with injuries, including first aid (TRI), decreased by 24.5% (726 in 2023 compared with 962 in 2022), mainly due to the reduction in accident events that did not involve days of absence from work. The reduction is mainly attributable to the employees of contractors (-32%), while there was a slight increase in events involving Enel personnel (+15%). The Total Recordable Injury Frequency Rate (TRI FR) followed the same trend, with a decrease of 16.4% (1.88 in 2023 compared with 2.25 in 2022), representing approximately 2 accident events

per million hours worked. With regards to hours worked, there was a significant reduction during 2023 compared with the previous year (approximately -10%), mainly linked to the sale of a number of operations, such as Enel Goiás in Brazil at the end of 2022. The Lost Time Injury Frequency Rate with days lost (LTI FR) showed an increase of 22% compared with the previous year (0.61 in 2023 compared with 0.50 in 2022) among both Enel personnel and contractors.

This increase is mainly due to an increase in minor injuries associated with only minimal impacts on worker safety. In

fact, the sum of the most serious injuries, i.e. those with the greatest actual or potential impact such as fatal injuries, life changing injuries (those which produce permanent changes in the life of the injured person) and high-potential incidents (which differ from the former only in the extent of the consequences for the worker but not in the dynamics of the event), was unchanged on 2022 (39 events) and 25% lower than the average for the three previous years. However, the distribution of injuries among the different categories did change, as fatalities increased (11 in 2023 compared with 6 in 2022), while life changing injuries (1 in 2023 and 2 in 2022) and high-potential incidents (27 in 2023 and 31 in 2022) declined.

Of the 11 fatal injuries in 2023, 9 were associated with electrical risk and 2 with mechanical risk. Three fatal injuries involved Enel personnel (2 employees of Enel Grids in Romania and 1 employee of Enel Grids in Argentina) and 8 contractor personnel (3 in Brazil, 2 in Italy and 1 in Spain who worked for Enel Grids, 1 in Brazil who worked for Enel Green Power Brazil and 1 in Brazil who worked for Enel Servizi).

As regards activities in 2023, Policy no. 106, which provides guidelines for the entire Group concerning the communication, analysis and classification of accidents, was updated in order to strengthen the near miss and safety observation reporting process,⁽⁴⁸⁾ increase the attention paid to HiPo events and more effectively trace the root causes of each event to ensure greater effectiveness in action plans and improved health and safety performance.

The inspection process for verifying conduct and compliance with procedures and working methods in the field has also been revised in order to enhance effectiveness. In particular, a data-driven approach has been implemented, based on IT tools and analytical dashboards. It can use evidence from the monitoring and control system to enable evaluation of the performance of organizational units and suppliers, the identification of areas at greatest risk of fatal and life changing accidents and subsequent management methods.

In 2023, there were 101 cases of Extra Checking on Site (ECoS) involving high-risk areas. This process consists in internal environment and safety assessments designed to verify the adequacy of the organization and processes in a specific area of Group operations, identify any adverse issues and develop corrective actions. These checks are conducted by specialist HSEQ personnel from outside

the units being assessed, assisted by technicians specialized in the specific business.

Another area of great attention for the entire Enel Group is the protection of health, a fundamental value for the care and development of our people, not only at work but also in daily life. For this reason, the Enel Group has adopted a structured health management system based on prevention and protection measures and is committed to developing a corporate culture oriented towards the promotion of mental and physical health and organizational well-being and personal work-life balance: to this end Policy no. 179 "Health and Well-being" was updated at the end of July 2023.

The objective of safeguarding workplace safety and the mental and physical integrity of all the people of the Enel Group is the main driver of training, awareness and information activities. To foster the growth of technical skills and a safety culture, support change processes and respond in a timely manner to the needs that emerge from the business, the Group has a structured training management process, designed to transform knowledge into skills and then into behaviors. Overall, in 2023, 1,452 hours of training were provided to Enel staff on workplace health and safety issues.

The Enel Group's approach to contractors is to consider each to be a partner with which we share our essential workplace safety and environmental protection rules. As such, safety is integrated into the tender process, and supplier performance is assessed both as part of the qualification process and when executing the contract by way of numerous controls and other mechanisms, including: the Health, Safety and Environment (HSE) Terms, the Supplier Performance Management (SPM) process, the Contractor Assessment (CA) process and Evaluation Groups (EGs).⁽⁴⁹⁾ In particular, the supplier qualification system provides for a specific evaluation of H&S issues based on the level of H&S risk of the activities associated with the different product groups. As regards workplace and environmental safety checks of contractors, in 2023 we continued to perform CAs at their premises, their construction sites or remotely if an on-site visit was not possible. Specifically, 1,215 CAs were performed across all business lines and countries in which Enel is present.

Enel also recognizes technological innovation as a valid tool for improving health and safety processes. The cri-

(48) An unsafe behavior/situation adopted by Enel or contractor personnel or an unsafe/risky situation, to which Enel or contractor personnel could be exposed, which did not give rise to an accident, but which could have caused one.

(49) HSE Terms, a document that defines the obligations with which contractors and their subcontractors must comply concerning health, safety and environment; Supplier Performance Management, a process for controlling the safety performance of companies; Contractor Assessment, analyses of contractors during the qualification phase or in cases where critical issues or low scores emerge in the evaluation of safety indicators during the contracted activities; Evaluation Groups, periodic multidisciplinary meetings across all global business lines and geographical areas for the evaluation of the safety performance of suppliers and the definition of targeted actions and personalized support plans for individual companies.

teria with which the development priorities of innovative projects are defined are based on a “risk management” logic, seeking primarily to eliminate or reduce the probability of an event occurring depending on feasibility. An example is the Remote Trimming project, developed within

Enel Grids, which consists in the use of a robot for pruning vegetation near electricity grids, allowing operators to interact with the device remotely, remaining outside the most dangerous areas and effectively eliminating the risks.

Responsible relations with communities

Listening to the communities in the territories in which Enel operates and promoting inclusive economic and social development to ensure an energy transition that is as fair as possible represent a fundamental pillar of Enel's strategy both in the daily management of business operations and in the planning of new infrastructures. Establishing solid and long-lasting relationships with local communities is essential to guaranteeing the implementation of a sustainable business, while boosting its competitiveness and inclusiveness.

Aware that the Group's activities can have a direct and indirect influence on the communities in which it operates, Enel has adopted a sustainable business approach along the entire value chain, integrating social as well as environmental sustainability criteria into the various processes from very earliest stages of development. This model is consistent with the main international standards in this area (such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises), which underpin Enel's commitment to human rights in business practices.

The Group's sustainable business approach is based on careful analysis of the contexts in which we operate. Thanks to proactive dialogue and community engagement initiatives, potential risks, impacts and opportunities are identified in order to implement prevention and mitigation interventions. This approach also includes the principle of “Sustainability by design” to take account of the needs of local communities from the early stages of asset design. The approach also envisages emergency management plans

with sustainability actions to be implemented in response to sudden and unexpected events and serious damage, such as critical events impacting Group assets, projects or products as a result of natural disasters or social/community unrest.

This approach has prompted Enel to innovate both the way it manages the business and develops energy products and services. It also leverages the awareness that the activation of virtuous ecosystems, such as partnerships, represents an indispensable factor in facilitating and promoting the identification and implementation of innovative social solutions as part of the transition towards a decarbonized economy.

In 2023, Enel's contribution to the development and social and economic growth of the territories and communities with whom it operates translated into sustainability projects in the various countries in which it operates, involving over 3.9 million beneficiaries, in line with the United Nations Sustainable Development Goals (SDGs), of which over 70% regard projects and initiatives associated with the three SDGs to which the Group has made a commitment (SDG 4, SDG 7, SDG 8).

In line with the SDGs, Enel makes an effective contribution to the progress of local territories, creating value for both communities and our business through professional education and training projects and providing access to reliable and sustainable energy, both through rural and suburban electrification initiatives and by promoting social inclusion for the most vulnerable categories of the population (from a physical, social and economic point of view).

For further information on the activities performed, please see the Group's 2023 Sustainability Report.

Sustainable supply chain

		2023	2022	Change	
Active suppliers	no.	14,001	20,434	(6,433)	-31.5%
Suppliers (FTE)	no.	150,820	172,854	(22,034)	-12.7%
Qualified suppliers assessed for ESG issues	%	100	99	1,0	1.0%
Qualified suppliers assessed for social issues (including human rights and health and safety) for all goods categories	%	100	99	1,0	1.0%
Qualified suppliers assessed for environmental issues for all goods categories	%	100	99	1,0	1.0%

Suppliers are the Group's partners along the path of sustainable growth, working to maximize the economic, productive, social and environmental benefits of the transition. Enel is committed every day to creating sustainable, innovative and circular processes that also make it possible to better quantify, and therefore mitigate, the total impacts that suppliers generate, aware of the need to minimize pressures on critical materials and components through technological innovation and continuous recycling and to support the resilience and retraining of its partners.

Purchasing processes are founded on mutual loyalty, transparency and collaboration in accordance with the highest standards of sustainability. For this reason, the selection of partners and the execution of contracts undergo analysis and monitoring throughout the entire procurement process. This is pursued on the basis of clear guidelines, namely codes of conduct, including the Human Rights Policy, the Code of Ethics, the "Zero-Tolerance-of-Corruption" Plan and global compliance programs.

Specifically:

- Enel's global vendor qualification system conducts an analysis of compliance with technical, financial, legal, environmental, human (including health and safety), ethical rights and integrity requirements of the firms that intend to participate in tenders. At December 31, 2023, qualified suppliers totaled 19,692 (of which 100% assessed on the basis of ESG criteria) and of these 8,300 had an active contract during the reporting period;
- the tendering and bargaining process adopts a structured process for defining "sustainability requirements and rewarding factors (K)" which can be used by the various purchasing and monitoring units throughout the period of execution of the contract. The process involves the use of two "libraries", which catalog all the sustainability requirements and Ks grouped into social, environmental and circularity certification macro-categories. At December 31, 2023, 66% of supply contracts provided for the submission of carbon footprint certifications from the contracted vendors.

Furthermore, specific contractual clauses have been defined, which are included in all works, service and supply contracts and updated periodically to ensure alignment with international best practices. The General Terms of Contract establish that Enel's suppliers, in-

cluding subcontractors, sub-suppliers, third parties and in general the entire supply chain shall comply with current regulations on pay, contributions, insurance and taxation for all workers employed in any capacity in the execution of the contract. In addition, explicit reference is made to the principles referred to in the relevant ILO Conventions and provisions of law concerning child labor, female labor, equality of treatment, prohibition of discrimination, abuse and harassment; trade union freedom, association and representation; refusal of forced labor; safety and environmental protection and sanitation conditions. In the event of conflict between regulatory sources, the more restrictive shall prevail.

The clauses⁽⁵⁰⁾ also provide that suppliers, subcontractors, sub-suppliers, third parties and in general the entire supply chain shall undertake to prevent any and all forms of corruption.

The number of FTEs⁽⁵¹⁾ working at Enel worksites at December 31, 2023 totaled 150,820;

- analysis and monitoring are conducted throughout the entire procurement process, making use of specific systems such as, during performance of the contract, the Supplier Performance Management (SPM), whose objective within our collaboration with vendors is not only to undertake any corrective actions in the contract execution phase, but also to encourage a process of improvement using actions that reward the adoption of best practices. The process is based on an objective and systematic collection of data and information relating to the execution of the service covered by the contract. These data are used to produce specific indicators, also called categories (e.g., Health, Safety and Environment, Human Rights & Correctness, and Quality and Punctuality).

Meetings with suppliers continued in 2023 with a focus on decarbonization issues, circularity and human rights, with a view to jointly developing practices and common approaches and spur vendors to achieve the sustainability standards demanded by the international community.

More specifically, meetings were organized with the main suppliers in strategic product categories to provide them with technical information on the new tender requirements regarding human rights and other contractual clauses. For more information on the activities carried out, please see the Group's 2023 Sustainability Report.

(50) Article 29.1.5 of the General Terms of Contract.




(51) FTE = Full Time Equivalent. This corresponds to the number of workers necessary to perform a certain number of hours worked, assuming they are working full time. One FTE therefore corresponds to one person/day.





WORLD ECONOMIC FORUM (WEF)

The International Business Council (IBC) of the World Economic Forum has produced a report entitled “Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, with the aim of defining shared common metrics to measure, report and compare levels of sustainability, i.e. the effectiveness of its actions in pursuing the Sustainable De-

velopment Goals set by the United Nations (SDGs), in the business model adopted to create value for stakeholders. The metrics are based on existing standards and seek to increase convergence and comparability between the various parameters used today in sustainability reports. The following table gives the 21 main indicators specified in the WEF report.

			INTEGRATED ANNUAL REPORT 2023				
PILLAR	THEME	21 CORE KPIs	KPIs representing the 21 CORE KPIs of the WEF	2023	2022	Change	Chapter/Section reporting all KPIs and disclosure on the 21 CORE KPIs of the WEF
 PRINCIPLES OF GOVERNANCE	Governing purpose	Setting purpose					"Governance" chapter
	Quality of governing body	Governance body composition	No. of women on Board	4	4	-	"Corporate boards" section in "Governance" chapter
	Stakeholder engagement	Material issues impacting stakeholders					"Basis of Presentation" chapter
	Ethical behavior	Anti-corruption	Employees with training in anti-corruption policies and procedures (%)	49.6	46.9	2.7	"Values and pillars of corporate ethics" section in "Governance" chapter
			Confirmed violations for conflict of interest/corruption (no.)	7	10	(3)	
		Protected ethics advice and reporting mechanisms	Reports received for violations of the Code of Ethics	207	168	39	"Values and pillars of corporate ethics" section in "Governance" chapter
	Risk and opportunity oversight	Integrating risk and opportunity into business process					"Risk management" section in "Group Strategy & Risk Management" chapter
	 PLANET	Climate change	Greenhouse Gas (GHG) emissions	Direct greenhouse gas emissions - Scope 1 (million t _{eq})	34.51	53.07	(18.56)
Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (location based) (million t _{eq})				3.28	3.82	0.54	
Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (market based) (million t _{eq})				4.51	5.10	(0.59)	
Indirect greenhouse gas emissions - Scope 3 (million t _{eq})				56.53	71.04	(14.51)	
		TCFD implementation (ISSB from January 1, 2024) ⁽¹⁾					"Governance", "Group Strategy & Risk Management", "Group Performance" and "Outlook" chapters
Nature loss		Land use and ecological sensitivity	Habitat restoration projects (in hectares)	8,343	9,452	(1,109)	"Fighting climate change and ensuring environmental sustainability" section in "Group Performance" chapter
Freshwater availability		Water consumption and withdrawal in water-stressed areas	Water withdrawals (millions of m³)	55.0	76.0	(21.0)	"Fighting climate change and ensuring environmental sustainability" section in "Group Performance" chapter
			Water withdrawals in water-stressed areas (%)	23.3	19.3	4.0	
			Total water consumption (millions of m³)	35.4	45.2	(9.8)	
			Water consumption in water-stressed areas (%)	22.1	20.5	1.6	

PILLAR	THEME	21 CORE KPIs	KPIs representing the 21 CORE KPIs of the WEF	2023	2022	Change	Chapter/Section reporting all KPIs and disclosure on the 21 CORE KPIs of the WEF
 PEOPLE	Dignity and equality	Diversity and inclusion	Women as proportion of total employees (%)	22.7	23.4	(0.7)	"People centrality" section in "Group Performance" chapter
		Pay equality	Equal Remuneration Ratio (%)	81.4	80.7	(0.7)	"People centrality" section in "Group Performance" chapter
		Wage level	CEO Pay Ratio – up to May 10, 2023 ⁽²⁾	25x	62x	(37)	
			CEO Pay Ratio – from May 12, 2023 ⁽²⁾	43x	n.a.	-	
		Risk for incidents of child, forced or compulsory labor	Assessment of protection of child labor and compliance with ban on forced labor in the supply chain				"Values and pillars of corporate ethics" section in "Governance" chapter
	Health and well-being	Health and safety	Fatal accidents – Enel (no.)	3	1	2	"People centrality" section in "Group Performance" chapter
			Frequency of fatal accidents – Enel (i.)	0.025	0.008	0.017	
			Life Changing Accidents – Enel (no.)	-	-	-	
			Frequency of Life Changing Accidents – Enel (i.)	-	-	-	
	Skills for the future	Training provided	Average hours of training per employee (hrs/person)	48.1	47.4	0.7	"People centrality" section in "Group Performance" chapter
			Employee training costs (millions of euro)	27	30	(3)	
 PROSPERITY	Employment and wealth generation	Absolute number and rate of employment	People hired (no.)	3,837	6,412	(2,575)	"People centrality" section in "Group Performance" chapter
			Hiring rate (%)	6.3	9.8	(3.5)	
			Terminations (no.)	4,038	4,414	(376)	
			Turnover (%)	6.6	6.8	(0.2)	
		Economic contribution					"Value generated and distributed for stakeholders" section in "Group Performance" chapter
		Financial investment contribution	Total investment (millions of euro)	12,714	14,347	(1,633)	"Analysis of the Group's financial position and structure" section in "Group Performance" chapter
			Purchase of treasury shares, payment of dividends and interim dividends and coupons paid to holders of hybrid bonds (millions of euro)	5,337	5,038	299	Consolidated financial statements
	Innovation in better products and services	Total R&D expenses	Investment in R&D (millions of euro)	60	105	(45)	"Innovation" section in "Group Performance" chapter
	Community and social vitality	Total tax paid	Total tax paid (millions of euro) ⁽³⁾	5,861	4,778	1,083	"Value generated and distributed for stakeholders" section in "Group Performance" chapter

- (1) Incorporated in the ISSB standards from January 1, 2024 as the sustainability reporting standards IFRS S1 and IFRS S2 published at the end of June by the ISSB are perfectly in line with those of the TCFD.
- (2) Ratio between the total remuneration of the CEO/General Manager of Enel and the average gross annual remuneration of Group employees. In order to ensure the figures for 2023 and 2022 are comparable, the 2022 figure has been adjusted by applying the 2023 exchange rate to 2022 remuneration.
- (3) The amount regards "total tax borne", which is the total amount paid by the Enel Group (including the Greek and Romanian companies in both years) for taxes recognized in profit or loss. For more information on total tax borne, please see the 2023 Sustainability Report and the Consolidated Non-Financial Statement.

EUROPEAN UNION TAXONOMY

Enel welcomes the development of the EU Taxonomy Regulation 2020/852, 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.

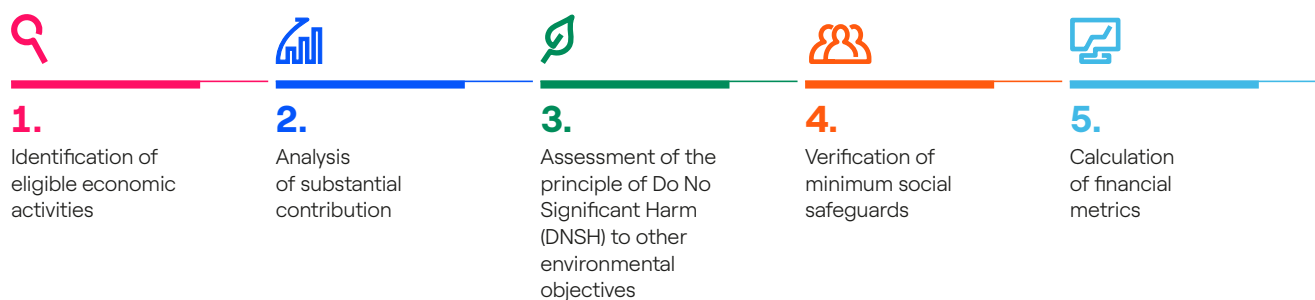
Please note that EU taxonomy reporting is included in full in the “2023 Sustainability Report – Consolidated Non-Financial Statement” prepared as required by Article 8 of the European Taxonomy Regulation 2020/852, complying

with the criteria established in the other delegated acts issued by the European Commission and available on the date of publication of the Sustainability Report.

More specifically, the EU taxonomy reporting has been implemented based on the following regulations:

- Delegated Regulation (EU) 2021/2139 of June 4, 2021 (Climate Delegated Act);
- Delegated Regulation (EU) 2021/2178 of July 6, 2021 (Disclosures Delegated Act);
- Delegated Regulation (EU) 2022/1214 of March 9, 2022 (Complementary Climate Delegated Act);
- Delegated Regulation (EU) 2023/2485 of June 27, 2023 amending the Climate Delegated Act;
- Delegated Regulation (EU) 2023/2486 of June 27, 2023 (Environmental Delegated Act).

The European taxonomy implementation process at Enel



In a process overseen by the CEO and top management, involving the relevant functions at corporate and country level, as well as all business lines, a five-step process is in place to analyze the applicability of the EU Taxonomy Regulation throughout the entire value chain and in all countries where we operate.

For more on the phases of the implementation process for the European taxonomy, please see the “2023 Sustainability Report – Consolidated Non-Financial Statement”.

Through this process, Enel has classified all economic activities along its value chain for their contribution to the climate change mitigation objective, which is the most relevant for the Group, according to the following three categories: eligible aligned, eligible non-aligned, and non-eligible.

ELIGIBLE ALIGNED

Eligible aligned: refers to an economic activity that simultaneously satisfies the following three conditions:

- it is explicitly included in the EU Taxonomy Regulation for its substantial contribution to climate change mitigation; and
- it meets the specific criteria developed by the EU Taxonomy Regulation for that specific environmental objective; and
- it meets all DNSH criteria and minimum social safeguards.

ELIGIBLE NON-ALIGNED

Eligible non-aligned: refers to an economic activity that:

- is explicitly included in the EU Taxonomy Regulation for its substantial contribution to climate change mitigation or adaptation; but
- does not meet the specific criteria developed by the EU Taxonomy Regulation for those specific environmental objectives; or
- does not meet all the DNSH criteria and/or the minimum social safeguards.

NON-ELIGIBLE

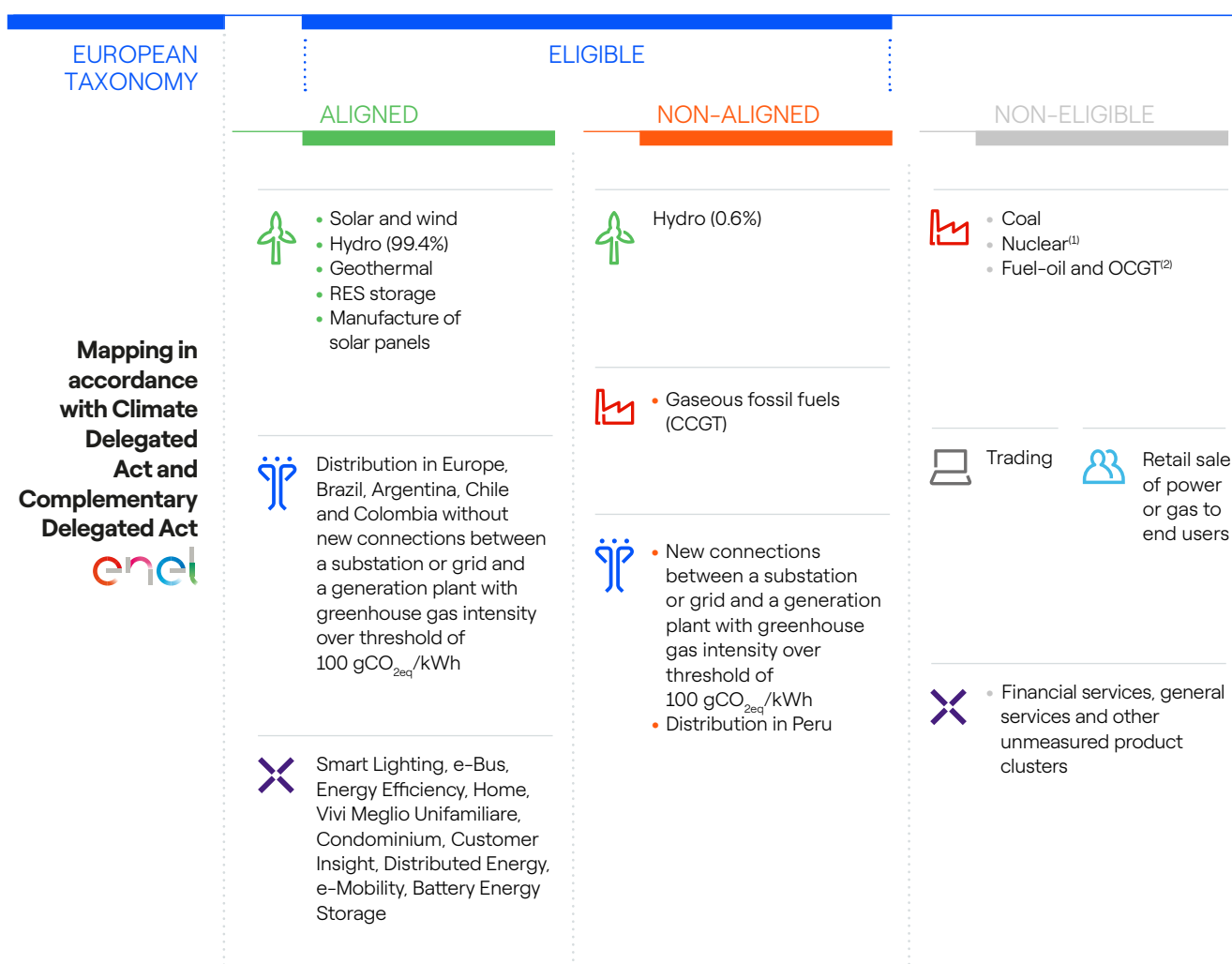
Non-eligible: refers to an economic activity that has not been identified by the EU Taxonomy Regulation as a substantial contributor to climate change mitigation and for which no criteria have therefore been developed. The logic of the European Commission is that these activities might:

- not have a significant impact on climate change mitigation or could be integrated into the EU Taxonomy Regulation at a later stage;
- cause a very significant impact on climate change mitigation, so they cannot be eligible in any case.

It is important to note that activities classified as eligible aligned from a climate change mitigation perspective also include adaptation solutions (mainly in the design and construction phase of assets) and are therefore also eligible aligned for this other objective.

However, the existence of the category “non-eligible” makes it impossible to achieve a business model that is fully aligned with the criteria of the EU Taxonomy Regulation, even though these might not cause any harm to the EU’s environmental objectives.

Mapping of Enel's business activities for their contribution to climate change mitigation



- (1) The operation of the 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 non-eligible under the EU taxonomy regulation.

In 2023 the Enel Group updated the eligibility analysis of Enel's productive economic activities by incorporating the published delegated acts, implementing the process described above based on the three categories: eligible aligned, eligible non-aligned, non-eligible.

For more information on the results of the eligibility analysis and the classification of economic activities in the above three categories, please see the "2023 Sustainability Report – Consolidated Non-Financial Statement".

Statement on the alignment of Enel's business to the EU Taxonomy Regulation

Process for calculating the financial metrics

The Enel Group calculates the financial metrics associated with each economic activity (classified into the categories eligible aligned, eligible non-aligned, non-eligible) using a specific process adopting the following criteria and considerations:

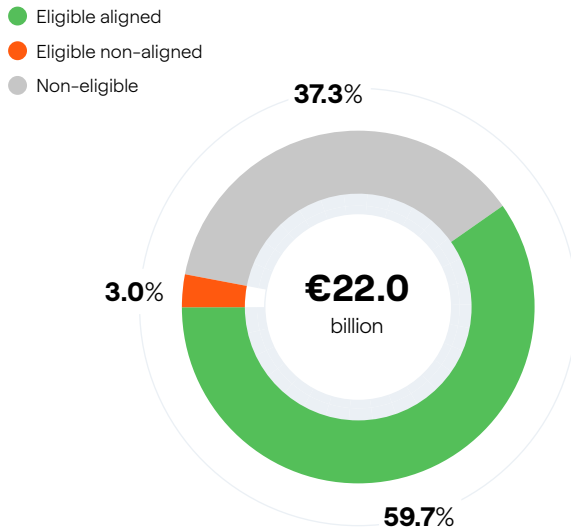
- the three financial metrics required by the EU Taxonomy Regulation (turnover, capital expenditure – capex – and operating expenditure – opex) were calculated according to the eligibility analysis described in this “European Union taxonomy” section;
- although not expressly required, Enel also performed an assessment in terms of the ordinary gross operating profit (EBITDA) believing that this metric represents the actual financial performance of integrated utilities such as Enel;
- the financial information was gathered from the digital accounting system used by the Enel Group, or from the management systems in use by the Company's business lines. However, a number of derogations were adopted to provide a more detailed representation of the figures or to exclude specific activities from the overall calculation of eligible alignment (such as non-aligned hydroelectric power generation or infrastructure considered eligible but non-aligned among eligible and aligned distribution network systems). For example, the following derogations were used:
 - hydroelectric: eligible non-aligned hydroelectric power plants were excluded by considering their output multiplied by the average turnover per unit in the years 2022 and 2023. This approach was also extended to capex, opex and EBITDA;
 - infrastructure and networks: concerning capex, new connections between a substation or grid and a power plant with a greenhouse gas intensity above the threshold of 100 gCO_{2eq}/kWh were excluded considering their capacity (in MW) multiplied by the average capex per unit (k€/MW) for the years 2022 and 2023. This approach was also extended to turnover based on the on the assets' lifespan;
- aggregate financial data in the report refer to the “sector” level and include items related to third parties and inter sectorial exchanges;
- financial metrics were represented by considering all electricity and gas sales as “non-eligible”;
- revenue classified as eligible aligned also include inter-company revenue related to the sale of renewable electricity produced by the Group's generation companies and sold to the Group's retail companies for marketing to end customers, according to the Group's integrated position;
- capex: this also includes increases in assets from leases (recognized pursuant to IFRS 16, paragraph 53, point (h)), as requested by the Commission Delegated Regulation (EU) 2021/2178;
- absolute turnover/capex/opex/ordinary EBITDA correspond to the turnover/capex/opex/ordinary EBITDA (measured in euros) of each specific activity. The share of individual KPIs corresponds to each individual economic activity in the total turnover/capex/ordinary EBITDA of the Group (except for ordinary opex, as the total of which refers only to the type of costs required by the taxonomy);
- no ordinary capex and opex figures that may correspond to adaptation solutions – in accordance with Article 11 (1)(a) of EU Taxonomy Regulation – in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective. Furthermore, no revenue was considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (1)(b) of EU Taxonomy Regulation;
- for those minor activities that are eligible for either the protection and restoration of biodiversity and ecosystem or the circular economy objective a rounded figure of “0” has been reported due to its insignificant weight out of overall financial figures.

Overall results

The high level of alignment of our economic activities with the EU Taxonomy Regulation in 2023, made possible mainly by their substantial contribution to the climate change mitigation objective while respecting the principle of Do

No Significant Harm (DNSH) to other environmental objective and observing the minimum social safeguards, is shown below.

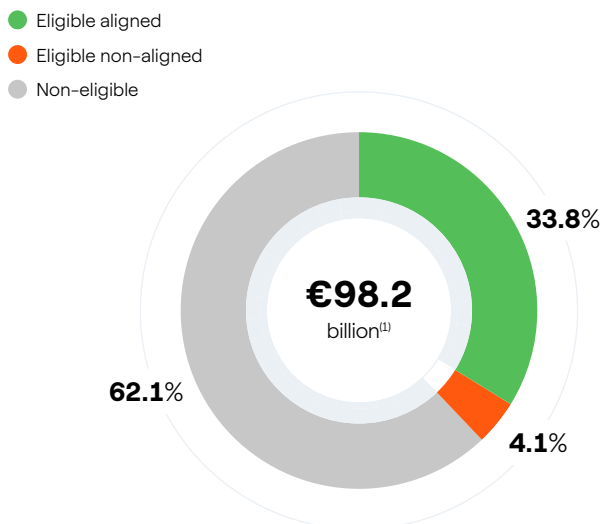
ORDINARY GROSS OPERATING PROFIT (EBITDA) UNDER THE EUROPEAN TAXONOMY



In 2023, 59.7% of ordinary EBITDA relates to the business activities aligned to the EU taxonomy, compared to 56.7% in 2022.

The ordinary EBITDA percentage of eligible taxonomy-aligned business activities increases in 2023 compared to 2022 mainly due to an increase in the ordinary EBITDA of renewable energy production and distribution activities in absolute terms. At the same time, there is a decrease in the ordinary EBITDA of the eligible non-aligned activities mainly due to the thermoelectric power generation business from combined cycles, which produced lower energy volumes in 2023 compared to 2022.

TURNOVER (REVENUE) UNDER THE EUROPEAN TAXONOMY



In 2023, 33.8% of revenue are related to business activities aligned to the EU taxonomy, compared to 21.4% in 2022.

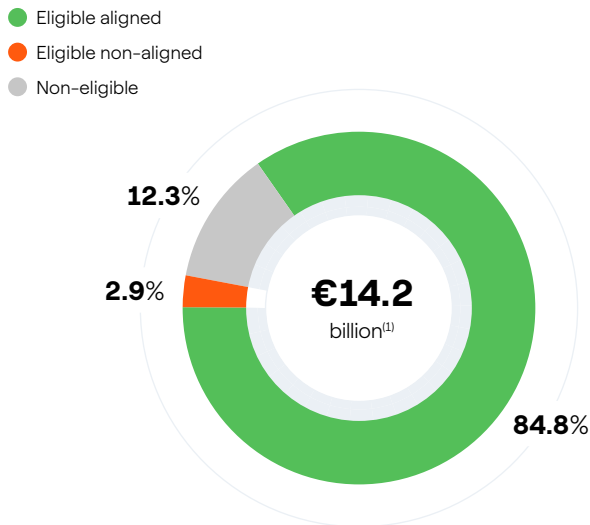
Revenue decreased in absolute terms by €44.8 billion compared to 2022. The change is mainly attributable to the lower volumes of electricity produced, the lower quantities of energy sold in the wholesale and retail markets, as well as the decrease in average selling prices of commodities, thus impacting non-eligible and non-aligned activities.

At the same time, revenue related to the production of energy from renewable sources increased in 2023, resulting in an increase in absolute terms of revenue in aligned activities from €30.6 billion in 2022 to €33.1 billion in 2023.

These phenomena contributed to the increase in the percentage weight of revenue from EU taxonomy-aligned activities by 12% year-on-year.

(1) Revenue refers to the ordinary income statement.

CAPITAL EXPENDITURE (CAPEX) UNDER THE EUROPEAN TAXONOMY

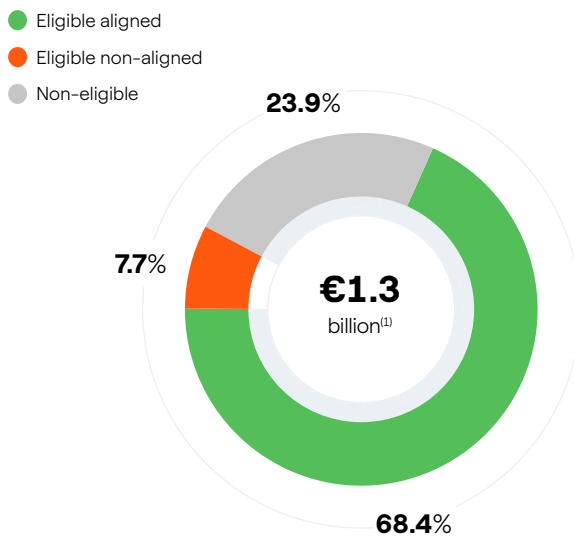


(1) Includes an increase of €0.7 billion from assets in lease transactions and €0.8 billion in respect of units classified as held for sale.

In 2023, 84.8% of capital expenditure (capex) is related to business activities aligned to the EU taxonomy, compared to 81.9% in 2022. This increase is mainly due to higher investments in energy storage systems through BESS (Battery Energy Storage Systems) and a reduction in investments in non-eligible or non-aligned thermoelectric technologies.

The actual 2023 capex for eligible aligned assets is 4.0% higher than the capex planned for 2023 in the 2023-2025 Strategic Plan for the same assets. This change is mainly due to higher investments in absolute terms in eligible aligned renewable and distribution activities than planned (approximately €1.9 billion).

ORDINARY OPERATING EXPENSES (OPEX) UNDER THE EUROPEAN TAXONOMY



(1) Only includes types of cost specified by the taxonomy.

In 2023, 68.4% of ordinary operating expenses (opex) relate to business activities aligned to the EU taxonomy, compared to 66.9% in 2022.

The percentage of ordinary opex of eligible taxonomy-aligned business activities increases in 2023 compared to 2022 mainly due to higher maintenance costs incurred in photovoltaic renewable energy production and taxonomy-aligned distribution activities.

Detailed results

The following tables are represented according to what is required by EU Regulation 2020/852, therefore considering the activity of electricity sales as "non-eligible".

Ordinary gross operating profit (EBITDA) under the European taxonomy

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) activities eligible (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
Electricity generation from wind power	CCM 4.3	1,755	8.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	10.6		
Electricity generation using solar photovoltaic technology	CCM 4.1	786	3.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.0		
Electricity generation from hydropower	CCM 4.5	2,233	10.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6.0		
Electricity generation from geothermal energy	CCM 4.6	292	1.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-0.7		
Storage of electricity	CCM 4.10	82	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Transmission and distribution of electricity	CCM 4.9	7,632	34.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	36.3	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d	110	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a	26	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e	7	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a	195	0.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.0	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

A.1 ATTIVITÀ ECOSOSTENIBILI (ALLINEATE ALLA TASSONOMIA)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) taxonomy-aligned (A.1) or -eligible (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	14	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 7.3 a-e	99	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 7.3 d, e; 7.6 a	1	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E	
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 7.6 f	-2	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4	-132	-0.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-0.5	E	
Manufacture of renewable energy technologies	CCM 3.1	0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
EBITDA of environmentally sustainable activities (taxonomy-aligned) (A.1)		13,098	59.7	59.7	0.0 ⁽¹⁾	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	56.7		
Of which enabling %			36.5	36.5	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	37.6	E	
Of which transitional %			0.0	0.0													0.0		T

A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")										Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or – eligible (A.2) ordinary gross operating profit (EBITDA) 2022	Enabling activity	Transitional activity		
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
			%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL												
Electricity generation from hydropower	CCM 4.5	5	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0				
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO _{2eq} /kWh)	CCM 4.9	224	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.9				
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29	450	2.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								12.7				
Sale of spare parts	CE 5.2	0	0.0	N/EL	N/EL	N/EL	EL ⁽²⁾	N/EL	N/EL								0.0				
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	EL ⁽²⁾								0.0				
EBITDA of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)		679	3.0	3.0	0.0	0.0	0.0	0.0	0.0								15.6				
A.EBITDA of taxonomy-eligible activities (A.1 + A.2)		13,777	62.7	62.7	0.0	0.0	0.0	0.0	0.0								72.3				

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities																				
Electricity generation from coal	n.a.	869	4.0																	
Electricity generation from nuclear	n.a.	511	2.3																	
Electricity generation from Oil&Gas (OCGT) ⁽³⁾	n.a.	405	1.8																	
Enel X (only non-eligible activities)	n.a.	-60	-0.3																	
Trading activities (Energy sales - wholesale)	n.a.	1,525	6.9																	
Market (Gas sales - end customer)	n.a.	739	3.4																	
Market (Power sales - end customer)	n.a.	4,125	18.8																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute ordinary gross operating profit (EBITDA) 2023	Proportion of ordinary gross operating profit (EBITDA) 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) taxonomy-aligned (A.2) ordinary gross operating profit (EBITDA) 2023	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Services, Holding & Others	n.a.	-318	-1.4																
Elisions and adjustments	n.a.	396	1.8																
EBITDA of taxonomy-non-eligible activities		8,192	37.3																
Total (A + B)		21,969	100.0																

PROPORTION OF EBITDA/TOTAL EBITDA		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	59.7	62.7
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

- (1) No EBITDA figures were considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (b) of EU taxonomy regulation.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Turnover (Revenue) under the European taxonomy⁽¹⁾

Economic activities	2023			Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
	Taxonomy code	Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or –eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy–eligible activities																			
Electricity generation from wind power	CCM 4.3	3,063	3.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.4		
Electricity generation using solar photovoltaic technology	CCM 4.1	1,084	1.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7		
Electricity generation from hydropower	CCM 4.5	6,774	6.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.0		
Electricity generation from geothermal energy	CCM 4.6	555	0.6	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4		
Storage of electricity	CCM 4.10	72	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Transmission and distribution of electricity	CCM 4.9	19,915	20.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.9	E	
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d	313	0.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2	E	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a	87	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e	53	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E	
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a	442	0.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3	E	

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")										Category	
		Absolute turnover "revenue" 2023	Proportion of turnover "revenue" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover "revenue" 2022	Enabling activity	Transitional activity			
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	66	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E				
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 7.3 a-e	245	0.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E				
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 7.3 d, e; 7.6 a	131	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E				
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 7.6 f	27	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E				
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4	246	0.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E				
Manufacture of renewable energy technologies	CCM 3.1	0.0	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E				
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		33,073	33.8	33.8	0.0 ⁽²⁾	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	21.4					
Of which enabling %			22.0	22.0	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	14.8	E				
Of which transitional %			0.0	0.0													0.0		T			

A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY
SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")								Category	
		Absolute turnover 'revenue' 2023	Proportion of turnover 'revenue' 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover 'revenue' 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Electricity generation from hydropower	CCM 4.5	50	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO _{2eq} /kWh)	CCM 4.9	934	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3		
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29	2,984	3.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6.6		
Sale of spare parts	CE 5.2	0.0	0.0	N/EL	N/EL	N/EL	EL ⁽³⁾	N/EL	N/EL								0.0		
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0.0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	EL ⁽³⁾								0.0		
Turnover of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)		3,968	4.1	4.1	0.0	0.0	0.0	0.0	0.0								7.9		
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		37,041	37.9	37.9	0.0	0.0	0.0	0.0	0.0								29.3		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities																			
Electricity generation from coal	n.a.	2,884	2.9																
Electricity generation from nuclear	n.a.	1,455	1.5																
Electricity generation from Oil&Gas (OCGT) ⁽⁴⁾	n.a.	3,483	3.4																
Enel X (only non-elegible activities)	n.a.	559	0.5																
Trading activities (Energy sales – wholesale)	n.a.	29,407	30.0																
Market (Gas sales – end customer)	n.a.	8,794	9.0																
Market (Power sales – end customer)	n.a.	40,930	41.7																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute turnover 'revenue' 2023	Proportion of turnover 'revenue' 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover 'revenue' 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Services, Holding & Others	n.a.	2,058	2.1																
Elisions and adjustments	n.a.	-28,448	-29.0																
Turnover of taxonomy-non-eligible activities		61,122	62.1																
Total (A + B)		98,163	100.0																

PROPORTION OF TURNOVER/TOTAL TURNOVER

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	33.8	37.9
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

- (1) Revenue refers to the ordinary income statement.
- (2) No revenues figures were considered eligible for climate adaptation objective as Enel does not provide adaptation solutions in accordance with Article 11 (b) of EU taxonomy regulation.
- (3) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (4) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Capital expenditure (capex) under the European taxonomy

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")								Category	
		Absolute Capex "Capital expenditure" 2023	Proportion of Capex "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022	Enabling activity	Transitional activity	
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. Taxonomy-eligible activities																				
Electricity generation from wind power	CCM 4.3 / CCA 4.3	1,125	79	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	14.7			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	2,400	16.8	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	18.9			
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	463	3.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.9			
Electricity generation from geothermal energy	CCM 4.6 / CCA 4.6	136	1.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8			
Storage of electricity	CCM 4.10 / CCA 4.10	1,322	9.3	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.5	E		
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	5,376	37.7	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	34.7	E		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d / CCA 7.3 d	130	0.9	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E		
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a / CCA 6.3 a	8	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0			
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e / CCA 7.3 a-e	13	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E		
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a / CCA 7.3 a-e; 7.5 a; 7.6 a	71	0.5	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5	E		

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	Taxonomy code	2023		Substantial contribution criteria								DNSH criteria ("Do No Significant Harm")								Category		
		Absolute Capex "Capital expenditure" 2023	Proportion of Capex "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022	Enabling activity	Transitional activity			
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
Professional services related to energy performance of buildings (Enel X – Distributed Energy)	CCM 9.3	4	0.0	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E				
Installation, maintenance and repair of energy efficiency equipment (Enel X – Condomini)	CCM 7.3 a–e / CCA 7.3 a–e	17	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2	E				
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X – Distributed Energy)	CCM 7.3 d, e; 7.6 a / CCA 7.3 d, e; 7.6 a	59	0.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E				
Installation, maintenance and repair of renewable energy technologies (Enel X – Battery Energy Storage)	CCM 7.6 f / CCA 7.6 f	44	0.3	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4	E				
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4 / CCA 6.13; 7.4	106	0.7	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7	E				
Manufacture of renewable energy technologies	CCM 3.1 / CCA 3.1	337	2.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.1	E				
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	486	3.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.8					
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)		12,097	84.8	84.8	0.0 ⁽¹⁾	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	81.9					
Of which enabling %			52.4	52.4	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	41.8	E				
Of which transitional %			0.0	0.0													0.0		T			

A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	Taxonomy code	2023		Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")										Category					
		Absolute Capex "Capital expenditure" 2023 millions of euro	Proportion of Capex "Capital expenditure" 2023 %	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022 %	Enabling activity	Transitional activity						
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	4	0.0	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0								
Transmission and distribution of electricity (Peru and new connections to plants with threshold > 100 gCO _{2eq} /kWh)	CCM 4.9 / CCA 4.9	123	0.9	EL	EL	N/EL	N/EL	N/EL	N/EL								2.6								
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29 / CCA 4.29	269	1.9	EL	EL	N/EL	N/EL	N/EL	N/EL								2.6								
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	19	0.1	EL	EL	N/EL	N/EL	N/EL	N/EL								1.1								
Sale of spare parts	CE 5.2	0	0.0	N/EL	N/EL	N/EL	EL ⁽²⁾	N/EL	N/EL								0.0								
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/EL	N/EL	N/EL	N/EL	N/EL	EL ⁽²⁾								0.0								
Capex of taxonomy –eligible but not environmentally sustainable activities (taxonomy–non-aligned activities) (A.2)		415	2.9	2.9	0.0	0.0	0.0	0.0	0.0								6.3								
A. Capex of taxonomy-eligible activities (A.1 + A.2)		12,512	87.7	87.7	0.0	0.0	0.0	0.0	0.0								88.2								

B. Taxonomy-non-eligible activities

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Electricity generation from coal	n.a.	52	0.4																
Electricity generation from nuclear	n.a.	171	1.2																
Electricity generation from Oil&Gas (OCGT) ⁽³⁾	n.a.	209	1.5																
Enel X (only non-elegible activities)	n.a.	103	0.7																
Trading activities (Energy sales - wholesale)	n.a.	58	0.4																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH criteria ("Do No Significant Harm")							Category	
		Absolute Capex "Capital expenditure" 2023	Proportion of Capex "Capital expenditure" 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) Capex "Capital expenditure" 2022	Enabling activity	Transitional activity
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Market (Gas sales – end customer)	n.a.	106	0.7																
Market (Power sales – end customer)	n.a.	512	3.6																
Services, Holding & Others	n.a.	193	1.4																
Elisions and adjustments	n.a.	152	1.1																
Additions to right-of-use assets (IFRS 16 par. 53 point h)	n.a.	179	1.3																
Capex of taxonomy-non-eligible activities		1,735	12.3																
Total (A + B)		14,247	100.0																

PROPORTION OF CAPEX/TOTAL CAPEX		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	84.8	87.7
CCA	0.0	87.7
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

- (1) No Capex figures that may correspond to adaptation solutions – in accordance with Article 11 (1) (b) of EU taxonomy regulation – in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Ordinary operating expenses (opex) under the European taxonomy

Economic activities	Taxonomy code	2023		Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")								Category	
		Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy -aligned (A.1) or -eligible (A.2) ordinary Opex 2022	Enabling activity	Transitional activity	
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. Taxonomy-eligible activities																				
Electricity generation from wind power	CCM 4.3 / CCA 4.3	86	6.8	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.2			
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	57	4.5	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.9			
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	153	12.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12.9			
Electricity generation from geothermal energy	CCM 4.6 / CCA 4.6	5	0.4	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.4			
Storage of electricity	CCM 4.10 / CCA 4.10	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E		
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	559	44.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	41.8	E		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Smart Lighting)	CCM 7.3 d / CCA 7.3 d	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E		
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	CCM 6.3 a / CCA 6.3 a	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0			
Installation, maintenance and repair of energy efficiency equipment (Enel X - Energy Efficiency)	CCM 7.3 a-e / CCA 7.3 a-e	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E		
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Home/Vivi Meglio Unifamiliare)	CCM 7.3 a-e; 7.5 a; 7.6 a / CCA 7.3 a-e; 7.5 a; 7.6 a	1	0.1	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E		
Professional services related to energy performance of buildings (Enel X - Distributed Energy)	CCM 9.3	1	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E		

A.1 ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)

Economic activities	2023			Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")								Category		
	Taxonomy code	Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy -aligned (A.1) or -eligible (A.2) ordinary Opex 2022	Enabling activity	Transitional activity		
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
Installation, maintenance and repair of energy efficiency equipment (Enel X - Condomini)	CCM 7.3 a-e / CCA 7.3 a-e	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.1	E			
Installation, maintenance and repair of energy efficiency equipment (7.3) Installation, maintenance and repair of renewable energy technologies (7.6) (Enel X - Distributed Energy)	CCM 7.3 d, e; 7.6 a / CCA 7.3 d, e; 7.6 a	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E			
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	CCM 7.6 f / CCA 7.6 f	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E			
Infrastructure for personal mobility (6.13) Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4) (e-Mobility)	CCM 6.13; 7.4 / CCA 6.13; 7.4	2	0.2	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.3	E			
Manufacture of renewable energy technologies	CCM 3.1 / CCA 3.1	0	0.0	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0	E			
Opex of environmentally sustainable activities (taxonomy-aligned) (A.1)		864	68.4	68.4	0.0 ⁽¹⁾	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	66.9				
Of which enabling %			44.6	44.6	0.0	0.0	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y	Y	42.5	E			
Of which transitional %			0.0	0.0													0.0		T		

A.2 TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-NON-ALIGNED ACTIVITIES)

Economic activities	2023		Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")								Category	
	Taxonomy code	Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex 2022	Enabling activity	Transitional activity
	millions of euro	%	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	1	0.1	EL	EL	N/EL	N/EL	N/EL	N/EL								0.0		
Transmission and distribution of electricity (Peru and new connections to plants with threshold >100 gCO _{2eq} /kWh)	CCM 4.9 / CCA 4.9	10	0.8	EL	EL	N/EL	N/EL	N/EL	N/EL								3.9		
Electricity generation from fossil gaseous fuels (CCGT)	CCM 4.29 / CCA 4.29	86	6.8	EL	EL	N/EL	N/EL	N/EL	N/EL								8.9		
Sale of spare parts	CE 5.2	0	0.0	N/AM	N/AM	N/EL	EL ⁽²⁾	N/EL	N/EL								0.0		
Conservation, including restoration, of habitats, ecosystems and species	BIO 1.1	0	0.0	N/AM	N/AM	N/EL	N/EL	N/EL	EL ⁽²⁾								0.0		
Opex of taxonomy-eligible but not environmentally sustainable activities (taxonomy-non-aligned activities) (A.2)		97	7.7	7.7	0.0	0.0	0.0	0.0	0.0								12.8		
A.Opex of taxonomy-eligible activities (A.1 + A.2)		961	76.1	76.1	0.0	0.0	0.0	0.0	0.0								79.7		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

B. Taxonomy-non-eligible activities																			
Electricity generation from coal	n.a.	48	3.8																
Electricity generation from nuclear	n.a.	80	6.3																
Electricity generation from Oil&Gas (OCGT) ⁽³⁾	n.a.	101	8.0																
Enel X (only non-eligible activities)	n.a.	4	0.3																
Trading activities (Energy sales - wholesale)	n.a.	4	0.3																
Market (Gas sales - end customer)	n.a.	3	0.2																

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Economic activities	2023			Substantial contribution criteria							DNSH Criteria ("Do No Significant Harm")							Category		
	Taxonomy code	Absolute ordinary Opex 2023	Proportion of ordinary Opex 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) ordinary Opex 2022	Enabling activity	Transitional activity	
		millions of euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
Market (Power sales – end customer)	n.a.	14	1.1																	
Services, Holding & Others	n.a.	50	4.0																	
Elisions and adjustments	n.a.	-1	-0.1																	
Opex of taxonomy-non-eligible activities		303	23.9																	
Total (A + B)		1,264	100.0																	

PROPORTION OF OPEX/TOTAL OPEX		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	68.4	76.1
CCA	0.0	76.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

- (1) No Opex figures that may correspond to adaptation solutions – in accordance with Article 11 (1) (a) of EU taxonomy regulation – in business activities that already contribute to climate mitigation have been allocated to climate adaptation objective, thus avoiding any potential double counting with the figures provided on climate mitigation objective.
- (2) The analysis of the alignment of this activity was not performed for the purpose of the 2023 Sustainability Report and will be disclosed next year in coherence with the timeline established in the Environmental Delegated Act.
- (3) Electricity generation from fuel-oil and OCGT: it refers to thermal power plants that use fuel-oil and/or gas (OCGT), for which a breakdown by technology is not available.

Additional information on electricity generation from nuclear and gas activities

The following figures are reported in accordance with the Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022, amending Delegated Regulation (EU) 2021/2139 as

regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

Template 1 – Nuclear energy and fossil gas related activities

Nuclear energy related activities

1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes

Fossil gas related activities

4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

As shown in the table above, the only applicable activities for Enel concern the safe operation of existing nuclear plants and the operation of power generation plants using gaseous fossil fuels. The former activity is 100% non-eligible, while the latter is 100% eligible non-aligned. Accordingly, the following tables refer to templates 4 and 5

included in the annexes to the Complementary Delegated Act. The remaining templates in the Delegated Act are not applicable to Enel's business model. Furthermore, the information only refers to the climate change mitigation objective, as it is the prevailing objective for the Group.

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities

Turnover (Revenue) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,984	3.0
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	984	1.0
Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	3,968	4.0

Capex (Capital expenditure) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	269	1.9
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	146	1.0
Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	415	2.9

Operating expenses (Opex) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	86	6.8
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	11	0.9
Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	97	7.7

Ordinary gross operating profit (EBITDA) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	450	2.0
Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	229	1.0
Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	679	3.0

Template 5 – Taxonomy non-eligible economic activities

Turnover (Revenue) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1,455	1.5
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	59,667	60.8
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	61,122	62.3

Capex (Capital expenditure) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	171	1.2
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,564	11.0
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	1,735	12.2

Operating expenses (Opex) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	80	6.3
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	223	17.6
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	303	23.9

Ordinary gross operating profit (EBITDA) under the European taxonomy

Economic activities	Climate change mitigation	
	Amount in millions of euro	%
Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	511	2.3
Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	7,681	35.0
Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	8,192	37.3

SIGNIFICANT EVENTS IN 2023

Enel places new perpetual hybrid bonds for €1.75 billion to refinance some of its outstanding hybrid bonds

On January 9, 2023, Enel SpA launched the issue of non-convertible, subordinated, perpetual hybrid bonds for institutional investors on the European market, denominated in euros, with an aggregate principal amount of €1.75 billion.

Enel launches a €1.5 billion sustainability-linked bond

On February 14, 2023, Enel Finance International NV launched a dual-tranche sustainability-linked bond for institutional investors for a total of €1.5 billion. The new issue envisages for the first time the use by Enel of multiple Key Performance Indicators (KPIs) per tranche. One tranche of the bond combines a KPI linked to the EU taxonomy with a KPI linked to the United Nations Sustainable Development Goals (SDGs). The other tranche of the bond is linked to two KPIs related to the Group's full decarbonization path through direct and indirect reductions of greenhouse gas emissions.

Disposal of thermal generation activities in Argentina

On February 17, 2023, the Enel Group, acting through its subsidiary Enel Argentina, reached an agreement for the sale to the energy company Central Puerto SA of the Group's stake in the thermal generation company Enel Generación Costanera for €42 million.

In addition, on March 29, 2023, YPF and Pan American Sur SA exercised their respective pre-emption rights for:

- the purchase by YPF of the shares held by Enel Américas in Inversora Dock Sud SA and indirectly of the shares it holds in Central Dock Sud SA; and
- the purchase by Pan American Sur SA of the shares held by Enel Argentina in Central Dock Sud SA.

The sale closed on April 14, 2023 for a total of about €48 million.

For more information on the associated financial effects, please see note 9 "Main acquisitions and disposals during the year".

Enel Perú signs an agreement to sell its distribution, supply and advanced energy services' assets to CSGI

On April 7, 2023, Enel Perú SAC, controlled by Enel SpA through Enel Américas SA, reached an agreement with the Chinese company China Southern Power Grid International (HK) Co. Ltd (CSGI) to sell the entire equity stakes held by Enel Perú in the power distribution and supply company Enel Distribución Perú SAA and in Enel X Perú SAC, the latter providing advanced energy services.

The agreement establishes that CSGI will acquire Enel Perú's interests in Enel Distribución Perú SAA (equal to around 83.15% of the share capital) and Enel X Perú SAC (equal to 100% of the share capital), for a total of around \$2.9 billion, equivalent to an enterprise value of about \$4 billion (on a 100% basis).

Enel finalizes joint venture deal with INPEX Corporation by selling 50% of Enel Green Power Australia

On September 29, 2023, Enel SpA, acting through its wholly-owned subsidiary Enel Green Power SpA closed the sale to INPEX Corporation (INPEX) of 50% of two entities that own all of the Group's renewables operations in Australia, namely Enel Green Power Australia (Pty) Ltd and Enel Green Power Australia Trust. The sale was closed following the fulfillment of all conditions set out in the sale agreement signed on July 13, 2023.

In line with the above agreement, INPEX paid a total of about €142 million.

Upon the transaction's closing, Enel Green Power SpA and INPEX will jointly control Enel Green Power Australia, overseeing the company's current renewable generation portfolio and continuing to develop its project pipeline, seeking to increase its installed capacity.

For more information on the associated financial effects, please see note 9 "Main acquisitions and disposals during the year".

Enel launches a sustainability-linked share buyback program serving its 2023 Long-Term Incentive Plan

On October 5, 2023, the Board of Directors of Enel SpA, implementing the authorization granted by the Shareholders' Meeting of May 10, 2023 and in compliance with the relevant terms previously disclosed to the market, approved the launch of a share buyback program for a total of 4.2 million shares, equal to approximately 0.041% of Enel's share capital.

The program, which will run from October 16, 2023 until no later than January 18, 2024, is designed to serve the 2023 Long-Term Incentive Plan for the management of Enel and/or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code, which was also approved by the Shareholders' Meeting on May 10, 2023.

Since the beginning of the program, Enel has purchased 3,377,224 treasury shares (equal to about 0.0332% of share capital), for a total €21,007,908.138. Considering the treasury shares already owned, as at December 29, 2023, Enel held a total 9,262,330 treasury shares, equal to about 0.0911% of the share capital.

Enel signs agreement to sell a geothermal and solar portfolio in the United States to Ormat

On October 23, 2023, Enel SpA, acting through its fully-owned subsidiary Enel Green Power North America Inc. (EGPNA), signed an agreement with Ormat Technologies Inc., for the sale of a renewable asset portfolio in the United States.

The sale was finalized on January 4, 2024 at a price of \$271 million, equivalent to €250 million, subject to customary transactional adjustments.

The assets sold include EGPNA's entire geothermal portfolio as well as a number of small solar plants, with a total capacity of about 150 MW of operating plants.

Enel closes the sale of a photovoltaic generation portfolio in Chile to Sonnedix

On October 25, 2023, Enel SpA and its listed subsidiary Enel Chile SA closed the sale of their entire equity interests in the share capital of Arcadia Generación Solar SA, a Chilean company which owns a portfolio of four operating PV plants with a total installed capacity of about 416 MW, to Sonnedix, an international renewable energy producer. The transaction was closed following the fulfillment

of all conditions set forth in the stock purchase agreement signed on July 12, 2023, including receipt of clearance from the Chilean antitrust authority Fiscalía Nacional Económica (FNE).

Pursuant to the above agreement, the purchaser paid a total of €535 million, corresponding to the 100% enterprise value agreed by the parties. The transaction resulted in the recognition of a capital gain of €195 million.

For more information on the associated financial effects, please see note 9 "Main acquisitions and disposals during the year".

Enel finalized the sale of its Romanian operations to PPC

On October 25, 2023, Enel SpA finalized the sale to the Greek company Public Power Corporation SA (PPC) of all the interests held by the Enel Group in Romania, following the fulfillment of all the conditions set forth in the related sale agreement, signed on March 9, 2023.

In line with the agreement, PPC paid a total of about €1,241 million. An earn-out mechanism is also envisaged, involving a potential further post-closing payment based on the future value of the retail business.

The transaction had a negative impact on profit or loss for the year of €847 million, of which €655 million reflecting the release of a currency translation reserve, €15 million in respect of transaction costs connected with the sale and the recognition of €177 million in impairment losses on the assets prior to the sale (net of taxes).

For more information on the associated financial effects, please see note 9 "Main acquisitions and disposals during the year" and note 7 "Discontinued operations".

Enel reaches agreement to sell Group's Peruvian generation assets

On November 22, 2023, Enel SpA announced that its subsidiaries Enel Américas SA and Enel Perú SAC, the latter controlled by Enel through the Chilean listed company Enel Américas, have signed an agreement with Niagara Energy SAC, a Peruvian company controlled by the global investment fund Actis, for the sale of all the equity stakes held by the Enel Group in power generation companies Enel Generación Perú SAA and Compañía Energética Veracruz SAC.

Specifically, the agreement establishes that Niagara Energy will acquire the stakes held by Enel Perú and Enel Américas in Enel Generación Perú's share capital (equal to approximately 66.50% and 20.46%, respectively) as well as those held by Enel Perú in Compañía Energética Veracruz

(equal to 100%) for a total of about \$1.4 billion (about €1.3 billion), equivalent to an overall enterprise value of around \$2.1 billion (about €1.9 billion, on a 100% basis).

This consideration is subject to adjustments customary for these kinds of transactions in consideration of the time between signing and closing.

The closing of the sale, which is expected by the 2nd Quarter of 2024, is subject to certain conditions customary for these kinds of transactions, including receipt of clearance from the competent antitrust authorities in Peru.

Enel finalizes the sale of 50% of Enel Green Power Hellas to Macquarie Asset Management

On December 29, 2023, Enel SpA announced that, acting through its wholly-owned subsidiary Enel Green Power SpA (EGP), it had finalized the sale of 50% of Enel Green Power Hellas (EGPH), EGP's fully-owned renewable subsidiary in Greece, to Macquarie Asset Management, acting

through the Macquarie Green Investment Group Renewable Energy Fund 2, following the fulfillment of all the conditions customary for these kinds of transactions, including receipt of clearance from the competent antitrust authorities, set out in the sale agreement signed on July 26, 2023. In line with that agreement, the total price received by EGP was €351 million.

Following the transaction's closing, EGP and Macquarie Asset Management entered into a shareholder agreement which envisages joint control of EGPH in order to co-manage the company's current renewable generation portfolio as well as continuing to develop its project pipeline, further increasing its installed capacity.

The transaction generated a positive impact on Enel Group profit of €422 million (including the fair value remeasurement of the remaining equity investment).

For more information on the associated financial effects, please see note 9 "Main acquisitions and disposals during the year" and note 7 "Discontinued operations".



REGULATORY AND RATE ISSUES

The European regulatory framework

Developments in the “Fit for 55” and REPowerEU packages

The European Commission’s “Fit for 55” package, presented in July 2021, proposed raising the EU’s 2030 targets in support of a more ambitious climate goal of reducing greenhouse gas emissions by 55% by 2030 and achieving climate neutrality by 2050. In 2023 the European institutions continued discussions over the various dossiers in the “Fit for 55” package and its adaptation to the changes introduced by REPowerEU.

Renewable energy and energy efficiency

In October 2023 the revision of the Renewable Energy Directive was published in the *Official Journal of the European Union*. Member States have 18 months to transpose it into national law. The Directive raises the share of renewable energy in the European Union’s overall energy consumption to 42.5% by 2030, with an additional 2.5% indicative top-up to allow the target of 45% to be achieved. All Member States will have to contribute to achieving more ambitious sector-specific targets in transport, industry and buildings. Moreover, the Directive provides for an acceleration in permit procedures for renewable energy projects. Member States shall design renewables acceleration areas where renewable energy projects will undergo simplified and fast permit-granting processes. Renewable energy deployment will also be presumed to be of “overriding public interest”, which will limit the grounds of legal objections to new installations.

EU institutions have also reached an agreement to raise to 11.7% the EU energy efficiency target by 2030, from the initial 9% of the “Fit for 55” package, including an increase in the Member State’s annual energy saving obligation, which should gradually increase from 2024 to 2030. Moreover, in 2023 European institutions reached an agreement on the European Energy Performance of Buildings Directive (EPBD). The new provisions include significant innovations in reducing the use of fossil fuels in buildings, developing charging infrastructure for electric mobility, increasing the

rate of renovation and efficiency of the building stock, as well as integrating solar systems into buildings.

Mobility

In October 2023, the new Alternative Fuels Infrastructure Regulation (AFIR) was published in the *Official Journal of the European Union*, establishing – for the first time in the EU – mandatory targets for the development of charging infrastructure for light and heavy vehicles and for the infrastructure to supply electricity to vessels moored in ports in the different Member States. Again in 2023, the ReFuelEU Aviation and FuelEU Maritime Regulations, targeted at reducing greenhouse gas emissions for aviation and maritime transport, setting increasingly stringent emission limits for ships and planes, and envisaging measures to promote renewable fuels, including hydrogen and renewable or low-carbon electricity, were published in the *Official Journal of the European Union*. At the end of 2023, the European Parliament and Council reached an agreement on a proposal for the revision of the Trans-European Transport Network (TEN-T) Regulation, which seeks to close regional, economic and social gaps through the development of interconnected air transport, roadway, railway and maritime network infrastructures, directly connected with the Connecting Europe Facility (CEF), which defines projects of common interest (PCIs) eligible for CEF funding.

The revision of CO₂ standards for new cars and light commercial vehicles, published in the *Official Journal of the European Union* in the 1st Half of 2023, increase emission reduction targets for 2030 and requires that all new light vehicles sold from 2035 be zero-emission vehicles. In this respect, a further revision is expected, which should allow internal combustion vehicles powered only by synthetic fuels to be placed on the market even after 2035.

Hydrogen and decarbonized gas market package and definition of renewable hydrogen

As required by the Renewables Directive of 2018, in the 1st Half of 2023 two delegated acts aimed at defining the criteria by which hydrogen produced from electricity can be considered renewable were published in the *Official Journal of the European Union* and are directly applicable in all EU countries, ensuring clarity on the rules for the production of renewable hydrogen. The main criteria concern the principles of additionality for renewable plants that power the electrolyzers and the spatial and temporal correlation between electrolyzers and renewable plants, as well as the

method to use to calculate the reduction of greenhouse gas emissions deriving from its use.

In December 2023 the EU institutions reached a provisional political agreement on the package for the decarbonization of the gas market, the proposal for which dates back to December 2021. The new regulation and directive included in the package establish a framework facilitating the penetration of renewable and low-carbon gases into the system, including hydrogen, and rules governing the market and organization of the sector, including infrastructure aspects. The provisional agreement needs to be endorsed and formally adopted by the Parliament and the Council in 2024 before publication in the *Official Journal of the European Union*.

Digital technology

During the 2nd Half of 2023 the European Commission finalized several new proposals for the digital sector impacting the energy industry.

In December 2023, EU legislators provisionally approved the Artificial Intelligence Act, the first-ever legal framework on AI worldwide, aimed at ensuring that EU law, fundamental rights and sustainability principles are protected from high-risk AI systems; however, the package has yet to be formally adopted. Complementing the AI Act, a political agreement was reached on the revised Product Liability Directive, ensuring that people can sue for compensation for damage caused by a defective product, including digital products.

With regard to data policies, in June 2023 the Commission adopted the Implementing Regulation laying down interoperability requirements and non-discriminatory

and transparent procedures for access to metering and consumption data for end users and eligible parties. Furthermore, in December 2023, the European regulation establishing harmonized rules on fair access to data and its use was published in the *Official Journal of the European Union*, giving Member States until September 12, 2025 to implement the regulation.

Finally, with regard to cyber security, in October 2023 the Commission published a draft implementing regulation establishing the European Common Criteria-based cyber security certification scheme for information and communication technologies. That draft is linked to the Cyber Resilience Act, the proposal for a European regulation on cyber security requirements for products with digital elements, such as smart meters, on which EU legislators reached a political agreement in December 2023.

Batteries

Published in the *Official Journal of the European Union* in July 2023, the new European regulation on batteries, the proposal for which dates back to 2020, pursues three objectives: to strengthen the functioning of the internal

market, ensuring a level playing field through a common set of rules; to promote a circular economy; and to reduce environmental and social impacts at all stages of the battery life cycle.

State aid

New State aid regulations

As from June 30, 2023, the revised General Block Exemption Regulation (GBER) came into force, which will facilitate, simplify and accelerate support for the EU's green and digital transition, while preserving a level playing field in the single market. The GBER defines specific categories of State aid that, under certain conditions, are compatible with the Treaty on the Functioning of the European Union (TFEU) and exempts these categories from the obligation of prior notification to the Commission and its approval. Major changes were made to the sections relating to climate, environmental protection and energy, including an update of the notification thresholds, in response to the energy crisis. The revised GBER expands the scope for Member States to finance different types of green projects, such as those to reduce CO₂ emissions, sustainable mobility and charging infrastructure; the introduction of new green conditions that large energy-intensive businesses must meet to receive aid in the form of reduced tax rates or exemptions from payment of system charges; energy efficiency and storage, including batteries; sustainable hydrogen and renewable energy communities. Finally, the definition of energy infrastructure has been extended to hydrogen and CO₂ as long as it is accessible to third parties. The scope has also been extended geographically to the entire territory and no longer just to areas receiving assistance.

The State aid COVID Temporary Framework (TF COVID) concerning solvency and investments for economic development for sustainable growth expired on December 31, 2023. That date marked the end of the phasing out period which started during 2022. We have worked within the Temporary Framework to disburse aid for national measures intended to boost employment even in disadvantaged areas.

The Temporary Crisis Framework (TCF) was most recently revised on March 9, 2023. The new framework was renamed Temporary Crisis and Transition Framework (TCTF) in order to underline the nature of the revision, aimed at fostering support measures in sectors which are key for the transition to a zero-emission economy, in line with the Green Deal Industrial Plan. The TCTF will also allow the disbursement of aid until December 31, 2025. In addition to direct aid to meet the additional costs associated with the rise in the price of gas and electricity, the system also

provides for schemes for accelerating the rollout of renewable energy and energy storage. More specifically, the investment support can cover up to 100% of total costs if it is granted through a tender procedure. This also includes aid for decarbonization through electrification and the use of renewable and electrolytic hydrogen. The main new aspect regards investment support for the mass manufacture of batteries, solar panels, wind turbines, heat-pumps, electrolyzers and carbon capture usage and storage as well as for production of key components. Their amount varies according to the region in which the investment is to be made, ranging from 15% of costs and a maximum of €150 million per company in the richest regions, to 35% of costs and a maximum of €350 million per company in disadvantaged regions. The most relevant aspect of this type of aid is the so-called "matching aid": an EU Member State could – under certain conditions – match the support offered to a company in a non-EU state.

On November 20, the Commission prolonged by six months, until June 30, 2024, a limited number of sections of the TCTF. In particular, it put off the phasing out of the provisions enabling Member States to grant limited amounts of aid (section 2.1) with an increase in aid ceilings to compensate for high energy prices (section 2.4) to cover the winter heating period. The other provisions of the TCTF, among which liquidity support in the form of State guarantees or in the form of subsidized loans and measures aimed at supporting the reduction of electricity consumption, were not affected and expired on December 31, 2023. Sections aimed at accelerating the green transition and reducing dependence on fuels remain in force until December 31, 2025.

Moreover, the European Commission extended until December 31, 2025 the possibility of granting State aid for rescuing and restructuring non-financial undertakings in difficulty according to the related guidelines of 2014. The rest of the guidelines remain applicable without further changes and their extension is necessary to avoid a legal vacuum after December 31, 2023.

On June 2, 2023, the European Commission published a communication in the *Official Journal of the European Union* which establishes the rules for any changes to regional aid maps. EU countries can propose updates to their maps for the 2022-2027 period.

Cases of State aid

In 2023, we continued to monitor the funds authorized by the European Commission for the countries of importance to the Group in relation to TF COVID, TCF and TCTF.

On February 7, 2023, the Commission approved a €1.36 billion Greek scheme to partially compensate energy-intensive companies for higher electricity prices resulting from the indirect costs of emissions under the ETS.

On February 17, 2023, the Commission approved a €460 million Spanish measure supporting the ArcelorMittal España project aimed at a partial decarbonization of its steel production in Gijón, where it operates two blast furnaces producing liquid hot metal from a mixture of iron ore, coke and limestone. The aid will support the construction of a plant for the production of direct reduced iron based on renewable hydrogen.

On March 6, 2023, the Commission approved the amendments to an existing Italian guarantee scheme, including an up to €3 billion budget increase for the reinsurance of natural gas and electricity trade credit risk in the context of the Ukraine crisis. The original scheme, approved on September 30, 2022, seeks to limit the risks that insurers currently face in offering customers trade credit insurance. Managed by SACE, the Italian export credit agency, the scheme ensures that trade credit insurance will continue to be available to businesses, enabling them to avoid having to pay their energy bills in advance or within few weeks, thus reducing their immediate liquidity needs.

On March 27, 2023, the Commission approved the reintroduction of a €396 million Spanish scheme to reduce electricity consumption levies imposed on energy-intensive enterprises.

On April 3, 2023, the Commission approved a €450 million Italian scheme to support investments in the integrated production of renewable hydrogen and renewable electricity in brownfield sites.

On April 24, 2023, the Commission approved a €450 million Spanish scheme to support gas-intensive manufacturing companies in the context of Russia's war against Ukraine.

On April 25, 2023, the Commission approved a prolonged and amended State aid measure issued by Spain and Portugal to reduce wholesale electricity prices on the Iberian market (MIBEL), lowering the input costs of fossil fuel power plants.

On May 11, 2023, the Commission approved a €837 million Spanish scheme to support the production of batteries for electric and related vehicles, for the benefit of battery manufacturers, their key components and related raw materials.

On May 17, 2023, the Commission approved the amendments to an existing Greek scheme, including an up to €600 million budget increase to support non-domestic electricity users in the context of the Ukraine crisis.

On June 19, 2023, the Commission approved, within the

TCTF, two Italian schemes totaling €535 million to finance contribution relief for newly hired young people and women until December 31, 2023.

On July 7, 2023, the Commission approved a €350 million Spanish scheme, entirely funded under the NRRP and operational until June 2026, to support the construction and operation of electricity storage plants.

On August 8, 2023, the Commission approved, within the TCTF, an Italian scheme totaling €100 million to support companies active in Sardinia.

On August 9, 2023, the Commission approved a €150 million Italian scheme denominated "Sicilian Energy Bonus" to support companies active in Sicily.

On October 9, 2023, the Commission approved a €100 million Italian scheme in the form of direct subsidies to support the production of electrolyzers within the TCTF.

On October 31, 2023, the Commission approved a €61.5 million Italian scheme exempting private employers from the payment of social security contributions for the hiring of disadvantaged workers.

On November 10, 2023, the Commission approved a €1.7 billion Italian scheme supporting agrivoltaic installations, funded under the NRRP and operational until December 31, 2024. The scheme provides investment grants for the construction and operation of new photovoltaic plants in Italy, with a total capacity of 1.04 GW and an annual electricity generation of at least 1,300 GWh, to become operational by June 30, 2026. On November 20, 2023, the Commission approved amendments to a Spanish scheme, already approved in 2022, to compensate energy-intensive companies with the partial reimbursement of indirect emissions costs under the EU ETS. The amendments essentially consist in a budget increase of €5.61 billion leading to an overall budget of €8.51 billion to partially compensate those firms for an increase in electricity bills due to the impact of the price of carbon on electricity costs.

On November 22, 2023, the Commission approved a €5.7 billion Italian scheme to support renewable energy communities, in particular generation and self-consumption from renewable power generation installations, as well as the expansion of existing ones. The part of the scheme financed by the National Recovery and Resilience Plan will run until December 31, 2025, while the remaining part of the scheme will run until December 31, 2027.

On November 28, 2023, the Commission approved, within the TCTF, a €1.1 billion Spanish scheme to support investments in the production of equipment needed to facilitate the transition to a zero-emission economy, targeting manufacturers of batteries, solar panels, wind turbines, heat pumps and electrolyzers, as well as key components mainly designed and used as direct inputs for the production of such equipment or related critical raw materials necessary for their production.

On December 19, 2023, the Commission authorized the amendment of a 2017 Italian support scheme (SA. 38635) for

electricity-intensive firms in the form of reductions in certain levies on electricity consumption with the aim of mitigating the risk that, due to these levies, these businesses will relocate their activities to locations outside the European Union with less ambitious climate policies.

On December 21, 2023, the Commission approved, under EU State aid rules, a €17.7 billion Italian scheme to support the construction and operation of a centralized electricity storage system with a joint capacity of more than 9 GW/71 GWh. The scheme will run until December 31, 2033.

We continued to provide support in 2023 to the assessment of the State aid aspects of priority projects for the Group under the NRRP.

More specifically, on July 20, 2023 the European Commission has approved an €89.5 million Italian measure consisting in a direct grant through the Recovery and Resilience Facility to support 3SUN's investment for the expansion of its solar panels factory. Discussions in the 1st Half of 2023 with the DG Competition in Brussels before, during and after the State aid notification were fundamental in obtaining approval.

The evaluation of IPCEI (Important Projects of Common European Interest) hydrogen projects and the related conditions for granting already approved State aid continues.

Regulatory framework by business line

Thermal Generation and Trading

Italy

Generation and the wholesale market

Rules governing plants essential to the electrical supply system

Within the rules governing ancillary services, certain plants are classified as essential due to their territorial location, their technical characteristics and their relevance for Terna SpA in resolving specific critical issues with the grid. In return for meeting availability and market supply requirements, these plants receive specific remuneration determined by the Regulatory Authority for Energy, Networks and the Environment (hereinafter "ARERA" or the "Authority"). The obligations and specific remuneration granted are determined each year on the basis of a procedure for identifying, for each plant, the specific regulatory regime among those provided for in the rules governing essential plants, namely:

- alternative contracts pursuant to Article 65-*bis* of Annex A to ARERA Resolution no. 111/2006, which provides for the payment of a fixed premium based on the power identified as essential for the management of the electricity system against the obligation to offer that power on the ASM (Ancillary Services Market) within maximum/minimum price limits for increasing/decreasing quantities and in the hours defined ex-ante by ARERA. The decision to opt for this contract is left to the operator in the phase preceding the publication of the list of essential systems and entails exclusion from the other regimes indicated below for the contracted capacity;
- ordinary regime pursuant to Article 64 of the aforementioned Resolution, which establishes requirements to

supply the DAM (Day-Ahead Market) and the IM (Intraday Market) solely for quantities of power requested by Terna, against payment of the higher specific variable costs of the units involved. Outside the hours and quantities specified by Terna, supply on the DAM and IM is free of constraints. Finally, all supply on the ASM is subject to an obligation to offer quantities at the specific variable cost calculated for the production unit;

- the cost reimbursement regime pursuant to Article 65 of the aforementioned Resolution, which, in return for meeting supply obligations for the entire power of the plant and at all hours of the year, provides for payment of fixed costs, including a return on invested capital and variable costs, net of revenue generated. Participation in this regime is subject to an ARERA decision upon application of the operator. The reimbursement is settled by ARERA in the form of payments on account and payment of a final balance, based on requests submitted by the operator.

With Resolution no. 532/2022/R/eel ARERA set the invested capital remuneration rate for essential plants eligible for reimbursement of costs for 2023 at 11.9%. For 2024, with Resolution no. 481/2023/R/eel, WACC was set at 9.7%.

Essential plant designations for Enel plants in 2023 and 2024

For 2023 with Resolution no. 742/2022/R/eel the Sulcis, Portoferraio and Assemini plants were declared eligible for the cost reimbursement scheme. With Resolution no. 624/2023/R/eel, these same plants were declared eligible for the cost reimbursement scheme also for 2024, with the exception of the Portoferraio plant which was not considered essential by Terna for the year.

The Porto Empedocle plant is eligible for long-term cost reimbursement until 2025, while plants located on the smaller islands are automatically eligible for cost reimbursement for all years in which they are declared essential, including 2023.

For 2023 and 2024 the remainder of essential capacity was contracted under alternative contracts to the essential plant regime (pursuant to Article 65-bis of Annex A of Resolution no. 111/2006).

Maximization of thermal generation by plants powered by non-gas alternative fuels

In order to tackle the gas supply problems for the 2022/2023 thermal year, Decree Law 14/2022 (the so-called "Ukraine Decree") allowed the Ministry of Ecological Transition (MiTE, now Ministry of the Environment and Energy Security - MASE) to require Terna to maximize thermal generation by plants with a capacity of over 300 MW powered by non-gas alternative fuels, as well as generation by bioliquid plants and - with Law of April 21, 2023 - biomass. The decree law also contains measures for the competent institutions to cooperate on issuing environmental waivers that may be necessary for the operation of plants whose output is to be maximized and ask ARERA to establish the supply rules for those plants and the reimbursement of costs incurred following the activation of the measure.

With its Guidelines of September 1, 2022, the MiTE (now MASE) asked Terna to draw up and implement a gas-alternative production maximization plan for the September 19, 2022 - March 31, 2023 period to enable a savings of 1.8 billion cubic meters of gas, minimizing recourse to environmental waivers.

Terna has identified the plants that will take part and, on September 19, launched the production maximization plan. Enel's Sulcis, Fusina, Torrevadalliga Nord, and Brindisi plants are included.

With its Resolution no. 430/2022/R/eel, ARERA established that:

- for plants that are already deemed essential plants eligible for the cost reimbursement scheme (Sulcis plant), the existing supply and production cost reimbursement rules will continue to apply;
- for other plants, the operator is required to present bids relating to the maximization plan announced by Terna at the minimum technical price on the energy markets and at the recognized variable cost (RVC) for each unit of generation in the ASM. Terna pays to the operator any positive difference between the energy market price and the RVC; while Terna pays to operators whose bids are accepted for sale on the ASM the day-ahead market zonal prices, if higher than the RCV. If revenue is not sufficient to cover even the fixed costs incurred during the maximization period, the operator can request that ARERA reimburse these costs, exclud-

ing the remuneration and amortization of the capital invested in the plant prior to the start of the maximization procedure.

With its Guidelines of April 1, 2023, the MASE asked Terna to continue the maximization plan until September 30, 2023. Terna confirmed the inclusion of Enel plants and defined a production maximization plan for the May 15 - September 30, 2023 period.

With its Resolution no. 258/2023/R/eel ARERA approved Enel Produzione's petition to review the criteria for determining the variable cost recognized that is applicable to the plants of Brindisi Sud, Fusina and Torrevadalliga Nord. The updated parameters after the issue of the resolution will be used in the determination of income items for the entire period covered by the maximization plan, that is from September 19, 2022 until completion of the plan, on September 30, 2023.

Capacity remuneration mechanism

On June 28, 2019, the Minister for Economic Development issued a decree approving the definitive rules governing the capacity remuneration mechanism (the capacity market). On November 6 and November 28, 2019 two auctions were held with delivery in 2022 and 2023 respectively: Enel was awarded capacity for both years. A number of operators and a sectoral trade association contested the decree and the results of the two auctions before the Lombardy Regional Administrative Court.

Two operators also challenged the European Commission decision approving the Italian mechanism before the EU Court. In two decisions dated 7 September 2022, the European General Court dismissed the actions and the two applicant companies decided to not appeal the decisions before the Court of Justice of the European Union, thereby concluding the disputes.

The disputes are, however, still pending before the Lombardy Regional Administrative Court, which had suspended its proceedings in April 2021 pending the rulings of the EU Court, having identified an issue for which a preliminary ruling was called for with respect to these proceedings.

With the Decree of the MiTE of October 28, 2021, the new capacity market regulation was approved. It will apply to auctions with delivery from 2024. In execution of the decree, Terna launched the auction procedures for 2024, which took place on February 21, 2022. Enel was awarded annual contracts for approximately 10.4 GW of existing capacity with delivery in 2024, and contracts for approximately 1.5 GW of new capacity with a duration of 15 years from 2024 to 2038. Pursuant to the decree, the results of the 2024 auction will be used as the basis for assessing whether to hold an auction for the 2025 delivery year. In December 2021, two operators filed two appeals with the Lombardy Regional Administrative Court against the MiTE Ministerial Decree of 28 October 2021, Terna's 2021

Capacity Market Regulations and the ARERA resolutions which define the framework for the execution of the capacity auction for 2024. In May 2022, the same companies also challenged the detailed report of the results of the main auction for 2024, published by Terna.

In March 2022, ARERA issued Resolution no. 83/2022/R/eel with urgent measures to change the methods of calculating the strike price of the capacity market, introducing a mechanism for indexing on a daily basis the components relating to the cost of gas and the issue charges included in the calculation of the strike price, in order to cope with the increased volatility of the natural gas spot market since 2022. The new methodology replaced the previous formulas, which provided for an indexation of the strike price on a monthly basis, and was confirmed by ARERA with Resolution no. 583/2023/R/eel for 2024. With a notice of September 18, 2023, Terna published the new version of the technical provisions for the functioning of the capacity market valid for 2023 and 2024, which establish a new method for verifying the energy availability requirements for the storage facilities participating in the capacity market on the basis of which these systems are remunerated.

On December 20, 2023 Terna announced the start of the consultation on the updating of the capacity market regulations containing the new rules for the award of contracts through new auctions from 2025.

Renewable energy communities

At the end of November 2021, Legislative Decree 199/2021 implementing Directive 2018/2001 on the promotion of the use of energy from renewable sources was published in the *Gazzetta Ufficiale*. The decree also contains provisions on self-consumption arrangements and renewable energy communities, which are already governed in Italy by the experimental regulations introduced with Law 8/2020 (ratifying Decree Law 162/2019, the "Milleproroghe" omnibus extension act) and subsequent implementation measures (ARERA Resolution no. 318/2020/R/eel and Ministerial Decree of September 16, 2020 of the Ministry for Economic Development).

In December 2022, in implementation of Legislative Decree 199/2021, ARERA approved the Consolidated Distributed Self-Consumption Code (TIAD) which sets out the new regulatory framework for energy communities and self-consumption arrangements. In November 2023, the European Commission approved the draft decree proposed by the MASE, which defines new incentive mechanisms for these communities and arrangements. Following approval by the European Commission, on January 23, 2024 the MASE published the new decree, with full implementation commencing on January 24, 2024. The Decree of September 16, 2020 will be repealed starting from the

sixtieth day following the date of adoption of the operational rules, which will be determined by the ESO (Energy Services Operator).

Iberia

Royal Decree Law 6/2022 of March 29 adopting urgent measures as part of the Plan for the National Response to the economic and social consequences of the war in Ukraine, Royal Decree Law 11/2022 of June 25 adopting and extending certain measures to respond to the economic and social consequences of the war in Ukraine, address situations of social and economic vulnerability and the economic and social recovery of the island of La Palma

On March 30, 2022, Royal Decree Law 6/2022 of March 29 was published in Spain's Official Journal, approving certain measures as part of the Plan for the National Response to the consequences of the war in Ukraine. The legislation contains various measures for the energy sector, some of which were extended until December 31, 2022 with Royal Decree Law 11/2022 of June 25 and until December 31, 2023 with Royal Decree Law 18/2022 of October 18 and Royal Decree Law 20/2022 of December 27. Some of the most significant measures were the following:

- extension until December 31, 2022 of the payment obligation that Royal Decree Law 17/2021 of September 14 established for non-emitting generation plants in proportion to the presumed higher revenue that those plants would have earned following the incorporation into wholesale electricity prices of the value of the price of natural gas. Power hedged with fixed-price forward contracts before March 31, 2022 will be exempt from the application of the mechanism. Hedging instruments with a duration equal to or greater than one year and a fixed price after March 31, 2022 will be excluded if the fixed price is equal to or less than €67/MWh. In the case of bilateral contracts between generators and retailers in the same business group, the hedge price will be the price that sellers pass on to final consumers and, in this case, the exempt fixed price will be determined by increasing the value by €67/MWh in the average marketing margin of the sector;
- the reduction in the remuneration of generation from intramarginal plants was subsequently not extended, meaning the mechanism expired on December 31, 2023. Exceptionally, within two months of the entry into force of the royal decree law, a ministerial order will update the remuneration parameters for renewable sources, cogeneration and waste plants, taking account of forward prices for the 2nd Half of 2021 for market prices and carbon dioxide (CO₂). Furthermore, starting from 2023 inclusive, the adjustment mecha-

nism for deviations from the market price is eliminated, in order to encourage the forward sale of energy by these plants. However, Royal Decree Law 10/2022 of May 13 restored the adjustment mechanism for deviations from the market price, incorporating forward benchmarks in relation to the expected price;

- specific, simplified procedures have been established to promote the streamlining of the authorization process for new renewable plants or plants under construction, for wind projects up to 75 MW and photovoltaic plants up to 150 MW, with connection lines of less than 15 kW;
- as regards the access auctions, for two years from the publication of the royal decree law, in the nodes where the capacity tenders were held, 10% of the available reserved capacity will be released for renewable plants (linked to transmission or distribution) for self-consumption;
- exceptionally, for the 2023–2025 period, electricity distributors must specifically include in their investment plans specified actions to increase the capacity of their networks to allow the evacuation of electricity from renewable sources and self-consumption, which must represent a minimum of 10% of the investment eligible for the remuneration paid by the system each year, and must be primarily intended for areas where there is a lack of access capacity for renewable energy;
- strategic natural gas reserves will be increased from 20 days of consumption to 27.5 days, with greater flexibility.

Royal Decree Law 10/2022 of May 13 establishing a temporary generation cost adjustment mechanism to reduce wholesale electricity prices

On May 14, 2022, Royal Decree Law 10/2022 of May 13 was published in Spain's Official Journal. It establishes a temporary mechanism for adjusting generation costs to reduce the wholesale price of electricity. The measure establishes a mechanism for adjusting the generation costs of marginal fossil fuel technologies, with the aim of obtaining an equivalent reduction in the clearing price of the wholesale market until May 31, 2023.

Under this mechanism, the adjustment is based on the difference between a benchmark price for the gas consumed by thermal generation plants (€40/MWh for six months, subsequently increasing by €5/MWh per month, up to €70/MWh) and the spot price of gas on the Spanish organized gas market (MIBGAS). This mechanism will be applicable to combined-cycle, coal and cogeneration plants not covered by any regulated remuneration framework. The amount of the adjustment will be distributed among the portion of Iberian demand that directly benefits, either because it buys energy at a price directly related to the wholesale market value or because it has signed or renewed a contract that already takes account of the

beneficial effect of the wholesale pricing mechanism. With regard to the latter aspect, the storage supply units, whether batteries or pumping systems, as well as supply units for auxiliary generation services, are exempt from payment of the cost of the mechanism.

The entry into force of the mechanism was subject to the authorization of the European Commission, which was granted on June 8, 2022, following which the Ministry for the Ecological Transition and the Demographic Challenge (MITECO) approved order TED/517/2022 of June 8, which established June 14, 2022 as the start date for application of the mechanism (for the June 15 market day). In addition, this Royal Decree Law includes the following:

- a mandate has been established to introduce a reference to forward market prices, incorporating a price component based on a basket of products (annual, quarterly and monthly) and a daily and intraday market price component, so that the new voluntary price for small consumers (PVPC) energy costing formula can begin to be applied in early 2023. Therefore, the MITECO began hearings on the drafting of a royal decree to modify the PVPC energy costing formula to incorporate a forward basket of products in addition to the daily and intraday market price component. Moreover, the cost of funding the *Bono Social* by the operators of the reference market is incorporated in the PVPC. The draft royal decree also modifies the scope of application of the PVPC, which would apply to residential customer and micro-enterprises with a contractual capacity of no more than 10 kW. Finally, changes were made to the rules for non-peninsular territories;
- the regime for the installation of renewable, cogeneration and waste facilities has been modified to reintroduce the adjustment mechanism for deviations from the market price and to incorporate a basket of prices in the price forecast, which will include both the daily market and forward benchmarks (annual, quarterly and monthly), with different weights.

Royal Decree Law 17/2022 of September 20 adopting urgent measures in the field of energy, in application of the remuneration system for cogeneration plants and temporarily reducing the Value Added Tax (VAT) rate applicable to intra-EU delivery, import and acquisition of certain fuels

On September 21, 2022, Royal Decree Law 17/2022 of September 20 was published, containing several urgent measures in the energy field, some of which were subsequently extended by Royal Decree Law 20/2022 of December 27. The measures adopted were as follows:

- option for cogeneration plants to temporarily waive the regulated remuneration scheme in favor of the adjustment mechanism for production costs provided under Royal Decree Law 10/2022 of May 13;

- creation of a new active demand response service through auctions managed by the system operator;
- greater flexibility in determining network transmission capacity, and streamlining and simplifying procedures for renewable energy projects;
- reduction in the VAT rate from 21% to 5% on supplies of natural gas, pellets, briquettes, and firewood until December 31, 2023;
- application of the entire surplus for 2021 to cover temporary imbalances and transitory deviations between revenue and costs in the 2022 financial year.

Royal Decree Law 18/2022 of October 18 which approves measures to reinforce the protection of energy consumers and to contribute to reducing natural gas consumption in application of “Plan +Security for your energy (+SE)”, as well as measures on the remuneration of public sector workers and to protect seasonal agricultural workers affected by drought

The Royal Decree Law 18/2022 was published on October 19, 2022, and implements some of the measures contained in the “Plan +Security for your energy (+SE)”. The most significant features are as follows:

- extension of the mechanism to reduce excess electricity market remuneration caused by high natural gas prices in the international markets, introduced by Royal Decree Law 17/2021 of September 14, until December 31, 2023;
- until the ordinance regulating auctions for the supply of fuel in non-peninsular territories is approved, a new dynamic dispatch pricing system, based on monthly calculations, will apply in these territories in order to make dispatching more efficient and reduce excess costs.

Law 38/2022 of December 27 on the establishment of temporary energy levies and taxes on credit institutions and financial credit establishments by creating the temporary solidarity tax on large fortunes, and amending certain tax rules

On August 30, 2022, socialist parliamentary groups and the parties constituting the government presented a draft law imposing temporary levies on the energy and banking sectors.

The law was published in Spain's Official Journal on December 28, 2022, after being approved by the Spanish Parliament.

The main features of the energy levy under this law are as follows:

- in 2023 and 2024, a temporary levy of 1.2% will be imposed on the net turnover derived from activity carried out in Spain in the previous calendar year, with the payment obligation arising as of the first day of the calen-

dar year;

- the net turnover amount does not include revenue relating to the tax on hydrocarbons, the Canary Islands special tax on petroleum-derived fuels and the additional charges on fuels and petroleum products in Ceuta and Melilla, which have been paid or incurred as an input tax. It will also exclude turnover relating to regulated activities, meaning the supply at regulated prices (PVPC for electricity, the last resort rate (TUR) for gas, bottled LPG and piped LPG), the regulated revenue of electricity and natural gas transmission and distribution networks and, in the case of generation with regulated remuneration and additional remuneration in non-mainland areas, all plant revenue, including any received from the market and from dispatch services;
- the levy will apply to persons or entities considered main operators in the energy sectors, with an annual net turnover in 2019 of more than €1,000 million, or whose net turnover in 2017, 2018 and 2019 from their qualifying activities exceeded 50% of total net turnover for that year. It also establishes that main operators will include any individuals or entities who carry out in Spain activities relating to the production of crude oil or natural gas, coal mining or oil refining, and who generate, in the year preceding that in which the levy payment obligation arises, at least 75% of their turnover from economic activities relating to mining, oil refining or the manufacture of coke products;
- the net turnover for companies that are part of a tax group that is taxed on a consolidated basis is calculated based on the entire group;
- the tax is legally classified as non-tax levies of a public nature which are not deductible for corporate income tax purposes, nor can they be passed on to customers/third parties.

Royal Decree Law 20/2022 of December 27 on measures to respond to the economic and social consequences of the war in Ukraine and to support the reconstruction of the island of La Palma and other situations of vulnerability

On December 28, 2022, Royal Decree Law 20/2022 of December 27 was published, with the following most significant aspects:

- the scope of application of the exceptions introduced by Royal Decree Law 10/2022 of May 13 includes waste-to-energy plants authorized prior to 2013 with a power capacity of between 50 MW and 100 MW, which allows them to temporarily waive inclusion in the specific regulated remuneration scheme as is currently allowed for cogeneration plants;
- in order to prevent speculative maneuvers in the renewable energy sector and to avoid overwhelming the administrative process, some procedures for which applications have been submitted will be suspended for a

period of 18 months with regard to nodes reserved for capacity tenders;

- progress has been made in simplifying and speeding up the procedures for processing authorizations for renewable energy plants;
- in the area of self-consumption, the distance for a photovoltaic system used for self-consumption to be considered in close proximity to the grid has been increased from 1,000 to 2,000 meters, and they may be located, in addition to on rooftops, on industrial land or on structures whose primary purpose is not the generation of electricity;
- with regard to electricity transmission, by March 31, 2023 the government will start to modify the development plans for the transmission grid to include priority measures to promote the energy transition and that make it possible to develop the industrial value chain. On an exceptional basis, these measures may be partially funded by the Recovery, Transformation and Resilience Plan and are not subject to the investment limits for transmission companies;
- aid will be available to gas-intensive companies to offset the increase in natural gas prices;
- finally, a number of measures enacted to make natural gas supply contracts more flexible were extended until December 31, 2023.

Royal Decree Law 3/2023 of March 28, extending the generation cost adjustment mechanism to reduce wholesale electricity prices established by Royal Decree Law 10/2022 of May 13

On March 29, 2023 Royal Decree Law 3/2023 of March 28 was published in Spain's Official Journal which, among other things, extends for seven months until December 31, 2023, the so-called "Iberian derogation" mechanism established by Royal Decree Law 10/2022 of May 13. The royal decree law modifies and completes, until the end of 2023, the evolution of the benchmark price for natural gas for the purpose of activating the mechanism, ranging between €45/MWh in January 2023 to €65/MWh in December 2023.

The mechanism was not extended and expired on December 31, 2023.

Royal Decree Law 5/2023 of June 28, adopting and extending certain measures to respond to the economic and social consequences of the war in Ukraine and to support the reconstruction of the island of La Palma and other situations of vulnerability

On June 29, 2023, Royal Decree Law 5/2023 of June 28 was published in Spain's Official Journal. Among other things, it includes a new package of measures to respond to the economic and social impact of the war in Ukraine on

Spain, also with the extension of measures already adopted in the past. Its main features concerning energy are as follows:

- the deadline for renewable projects with access permits from January 1, 2018 in the process of obtaining administrative authorization for construction has been extended by six months. In any case, the five-year term from the start of work for commissioning has been retained;
- the price references for electricity and fuels to be used for calculating the remuneration for the operation of renewable energy, cogeneration and waste plants have been modified to use values more in line with current market levels. Order TED/741/2023 of June 30 updates remuneration parameters for 2023-2025, incorporating among other things the provisions of Royal Decree Law 5/2023 of June 28;
- in line with European legislation, energy communities formed of members of the public are introduced as a new figure in the sector. Among other rights, such communities may own distribution networks and act as consumer representatives to engage in collective self-consumption activities;
- all charging stations with a capacity exceeding 3 MW are declared to be public utility, with corresponding authorization from the Ministry for the Ecological Transition and the Demographic Challenge. Accordingly, plants with an output of less than 3 MW are exempt from the requirement to obtain administrative authorization.

Royal Decree Law 8/2023 of December 27, adopting certain measures to respond to the economic and social consequences of the war in Ukraine and the Middle East and to alleviate the impact of drought

On December 28, 2023, Royal Decree Law 8/2023 of December 27 was published in Spain's Official Journal. It extends the energy protection measures implemented in response to the war in Ukraine, promotes renewable energy and contains measures to reduce the impact of drought. The key aspects concerning energy are as follows:

- VAT: VAT on electricity increases from 5% to 10% throughout 2024 (provided that the average daily market price of the previous month is above €45/MWh). For natural gas, VAT rises from 5% to 10% until March 31, 2024;
- value of production tax (7%): 3.5% will be applied in the 1st Quarter of 2024, 5.25% in the 2nd Quarter of 2024 and 7% thereafter. The electricity system will be compensated for the decline in receipts within the limit of the amount necessary to achieve balance between revenue and expenditure in respect of those charges;
- excise tax on electricity: this will rise from 0.5% to 2.5% in the 1st Quarter of 2020 and to 3.8% by the 2nd Quarter of 2020, before increasing to 5% thereafter;

- energy tax (1.2%): this has been extended until 2024, without prejudice to the establishment in the 2024 State Budget of an incentive for strategic investments essential for the ecological transition (energy storage, new renewable fuels such as biogas, biomethane or green hydrogen);
- renewables, self-consumption and storage: the deadline for developing new renewables projects is voluntarily extended to eight years. It is possible to incorporate qualitative criteria into renewables auctions that recognize the social and environmental added value of European industry;
- self-consumption: to ensure the clearance of surpluses by self-consumption plants, a reserve of 10% of the capacity of all nodes of the electricity transmission network has been reserved for access tenders;
- network capacity: to avoid the hoarding of network access permits for large-scale consumption, two measures have been introduced:
 - guarantees for large-scale consumption projects that connect to ≥ 36 kV grids equal to €40/kW and €20/kW for storage in demand mode, in addition to the €40/kW required in generation mode. The guarantees also apply to permits already granted, which have six months to present the guarantees to the competent body and another six months to send the accreditation receipt to the grid operator;
 - automatic forfeiture of access and connection permits, with connection point in a ≥ 36 kV grid, if within 5 years of obtaining those permits an access contract is not signed for a contractual capacity in the P1 period equal to at least 50% of the access capacity granted in the permit;
- demand tenders: the Ministry for the Ecological Transition and the Demographic Challenge may organize demand tenders on transmission grid nodes where the total volume of new applications for demand access capacity is so great that it is impossible to satisfy them all;
- hydroelectric storage: storage is included among the uses of water, ranking third in the established order of preference after the supply of civil use populations and agricultural use and ahead of electricity generation and other industrial uses. Pumping concessions are adapted to be considered hydraulic energy storage facilities and their repowering is encouraged.

Renewable energy auctions

Based on the provisions of Order TED/1161/2020 of December 4, which sets out the rules for the first auction held under the economic regime for renewable energy and sets the indicative timetable for 2020-2025, the Resolution of July 18, 2022, published on July 28, 2022, announced the third auction under the economic regime for renewable energy. A total of 380 MW was allocated for the

auction, which was held on October 25, 2022. Similarly, the Resolution of August 2, 2022, published on August 5, 2022, announced a fourth auction, with 3,300 MW allocated for award, which was held on November 22, 2022.

Furthermore, in 2022 various ministerial orders were approved, updating the remuneration of some of the compensation parameters of the structures, and work has begun on updating the parameters for the 6-month regulatory period beginning in 2023.

Tenders for access capacity at certain nodes of the transmission grid

On June 10, 2022, the Ministry for the Ecological Transition and the Demographic Challenge began preparation of a proposal for an Order for a tender for the access capacity at certain nodes of the transmission network, in compliance with the provisions of Royal Decree 1183/2020 of December 29 concerning access and connection to the electricity transmission and distribution grids, for a total capacity of 5,844 MW.

In addition, on August 9, 2022, the Resolution of the Secretary of State for Energy of August 3, 2022 was published, containing the decision to hold another tender for access capacity at certain nodes of the transmission grid.

Fuel Order for non-peninsular territories

On December 30, 2022, Order TED/1315/2022 was published, implementing Decision 1337/2021 of November 16, 2021 of the Spanish Supreme Court, concerning the need to regulate auctions for the supply of fuel in the non-peninsular territories and other technical issues.

The Order sets out the procedure for conducting fuel auctions, which will be held every two years and will be for the product used in the plant (or the raw material in the case of gas from the Balearic Islands). The auctions will be reverse auctions based on starting prices obtained by increasing the benchmark prices by 10% (3% in the case of natural gas), which will be those applied until the auctions are held or the auctions do not take place or are canceled. As from January 27, 2022, the benchmark price for natural gas will be the price on the Iberian Gas Market (MIB-GAS), while for other fuels it is determined on the basis of a number of international indices, to which a premium is added, where appropriate. The Order also grants the logistics costs of delivering the product to the plant, which can be revised every three years.

In addition, the Order also provides for the use of natural gas in the Canary Islands and in Melilla, as well as LPG in the Canary Islands, together with other less polluting fuels. Following the publication of Order TED/1315/2022, on February 3, 2023 the resolution of January 24, 2023 of the Directorate General for Energy Policy and Mining was published. It establishes product prices and special taxes applicable to coal, fuel oil and diesel for the 2nd Half of 2021, to be applied in the settlement of this period for gener-

ation units located in non-continental territories. Consequently, the fuel prices were determined by applying the references referred to in the third transitional provision of Royal Decree 738/2015 of July 31, as the aforementioned Directorate General is aware of the fact that Decision 1337/2021 of November 16 of the Spanish Supreme Court was declared contrary to the law and is not applicable to the determination of fuel prices.

Proposal for a resolution of the tender procedure for new investment and extension of the useful lives of existing units in non-peninsular territories

In implementation of Royal Decree 738/2015 of July 31, the Ministry for the Ecological Transition and the Demographic Challenge in January began hearings on the proposed resolution of the Secretariat of State for Energy calling the competitive procedure for the granting of favorable compatibility resolutions for the purposes of payment of the additional remuneration regime. The purpose of the procedure is to grant compatibility resolutions, among other things, for actions that enable coverage of additional electricity demand emerging from the coverage analyses conducted by the System Operator. On November 6, 2023 a new version of this proposed resolution was again opened to the public. It updates the power requirements with the latest information provided by the System Operator and introduces other elements, such as new criteria and scales for evaluating the applications submitted.

Regulatory amendments in non-peninsular territories

Royal Decree 446/2023 of June 13 amending the calculation method for determining the voluntary price for small consumers (PVPC), modified certain regulatory aspects of generation in non-peninsular territories, including:

- elimination of the adjustment factor for fuel bills effective as of January 1, 2023;
- introduction of a correlation factor in the calculation of carbon dioxide (CO₂) emissions allowances effective as of July 1, 2023 to consider actual emissions of plants;
- in view of the financial impact of the extraordinary measures taken to ensure security of supply, it grants compensation for the financial cost of the lag between the completion of settlement of regulated electricity sector activities for the year in which the measures are approved and the date of approval of the final settlement for that year, based on the one-year Euribor rate plus 50 basis points.

Approval of final generation costs for generation units in non-peninsular territories

In July 2023, the resolutions approving the definitive generation costs in non-peninsular territories for 2018 and 2019 were published, while in September the work of

drafting an equivalent proposed resolution for 2020 was begun.

Rest of the World

Latin America

Chile

Rate revision – Introduction of temporary electricity price stabilization mechanisms

On November 2, 2019, Law 21.185 of the Ministry of Energy was published, introducing a temporary electricity price stabilization mechanism for customers subject to rate regulation. Consequently, the prices to be applied to regulated customers in the 2nd Half of 2019 were lowered to those applied in the 1st Half of 2019 (Decree 20T/2018) and were defined as “stabilized prices for regulated customers” (PEC).

Between January 1, 2021 and the expiry of this mechanism, the prices to be applied will be those set every six months on the basis of Article 158 of the Electricity Law and may not exceed the level of the PECs noted above adjusted for consumer price inflation.

Any differences between the amount invoiced by applying the stabilization mechanism and the theoretical amount that could be invoiced considering the price that would have been applied in accordance with the contractual terms and conditions agreed with the various electricity distribution companies will be accounted for as receivables for invoices to be issued to generation companies up to a maximum of \$1,350 million until 2023. These differences will be recognized in US dollars and will not accrue interest until the end of 2025. Any imbalances in favor of the generation companies must be recovered no later than December 31, 2027. It should be noted that the fund limit was reached in January 2022.

On August 2, 2022, the Ministry of Energy published Law 21.472, which establishes a rate stabilization fund and a new mechanism for the temporary stabilization of electricity prices for customers subject to rate regulation. This law establishes a Transitional Customer Protection Mechanism (TCPM) which will stabilize energy prices, complementing that provided for by Law no. 21.185, for customers subject to regulation of prices supplied by concession holders of the public distribution service governed by the General Law of Electricity Services. The purpose of the TCPM will be to pay the differences that occur between the invoicing of distribution companies to end customers for the energy and power component, and the amount that corresponds to the payment of the supply of electricity to generation companies. The resources appropriated for the operation of the TCPM cannot exceed \$1,800

million and their availability will be extended until the balances originating from the application of the law are extinguished. Starting from 2023, the National Energy Com-

mission must project the total payment of the residual final account every six months for a date that cannot be later than December 31, 2032.

Enel Green Power

Italy

The Ministerial Decree of July 4, 2019 provided for competitive procedures based on Dutch auctions and registers, depending on the installed capacity and by technology groups, including photovoltaic systems. In particular, expected procedures are:

- Dutch auctions for plants with a capacity of more than 1 MW;
- registers for plants with a capacity of less than 1 MW.

Unlike previous decrees, the Ministerial Decree of July 4, 2019 provides for a new method for supporting renewable sources through two-way contracts for differences under which the successful tenderer returns any positive differences between the zonal price and the auction price. The successful tenderer for renewables capacity will benefit from the incentive mechanism for the entire useful life of the plant (20, 25 or 30 years, according to the technology).

On November 30, 2021, Legislative Decree 199 of November 8, 2021 transposing Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources (the RED II Decree) was published in the *Gazzetta Ufficiale*. The decree provides that capacity not assigned in the auction procedures referred to in the Ministerial Decree of July 4, 2019 shall be put up for auction in subsequent procedures in 2022, until the publication of the new auction schedule for the next five years. Pending the new planning, an additional three auctions were called in 2023.

In addition, the measure confirmed the same Dutch auction mechanisms for plants with a capacity greater than 1 MW, providing for an exception for plants with a capacity greater than 10 MW, which will be able to use the mechanism even though they have not completed the authorization process.

Plants with a capacity of less than 1 MW, on the other hand, will have direct access to incentives, with the exception of innovative technology plants, which will be able to access the subsidies through specific tenders.

The incentive mechanisms are being updated by the Ministry of the Environment and Energy Security (MASE) with a specific implementing decree.

The clawback mechanism

Decree Law 4 of January 27, 2022 (the Third Support Decree), ratified with Law 25 of March 28, 2022, introduced, for the period February 2022 - December 2022 a two-way refund mechanism for plants powered by renewable

sources receiving incentives through the energy account and for all plants powered by renewable sources that are not receiving incentives and that entered service by January 2010. Producers must return the difference between the market price, or the contracted price for forward sales, and a reference price identified in the same decree for each market zone (an average of €60/MWh). Decree Law 115 of August 9, 2022 (the Second Aid Decree), ratified with Law 142 of September 21, 2022, introduced a number of amendments to the Third Support Decree by extending the period of application of the clawback mechanism until June 2023, specifying that, for vertically integrated groups, only contracts signed by group companies (including non-generators) with other natural or legal persons outside the group are eligible. The implementation procedures for this mechanism were specified by ARERA with Resolution no. 266/2022/R/eel (for the period February 1, 2022 - December 31, 2022) and with Resolution no. 143/2023/R/eel (for the period January 1, 2023 - June 30, 2023).

Finally, the 2023 Budget Act (Law 197 of December 29, 2022), transposing Regulation (EU) 1854/2022, extended the reimbursement scheme to plants not covered by Decree Law 4 of January 27, 2022, establishing a cap of €180/MWh.

ARERA Resolution no. 266/2022/R/eel, together with other technical standards with which the Energy Services Operator (ESO) required the generators concerned to repay the amounts due, was the subject of an appeal before the Lombardy Administrative Regional Court (TAR). The TAR granted the appeals filed by several operators, voiding the resolution and the consequential measures. ARERA lodged a precautionary appeal of the voidance ruling before the Council of State, which met on March 21, 2023. On March 22, 2023, with precautionary orders no. 1124/2023, 1126/2023 and 1127/2023, the Council of State granted the precautionary petition filed by ARERA, setting a hearing for discussion on December 2023, which was subsequently postponed to another date to be determined.

At the same time, another operator appealed ARERA Resolution no. 266/2022/R/eel as well as the second resolution no. 143/2023/R/eel. As part of this judgment, the Lombardy TAR referred the assessment of the compliance of the mechanism envisaged in the Third Support Decree with respect the EU regulatory framework to the Court of Justice of the European Union, suspending the proceeding until the Court's decision.

Iberia

Renewable energy

As in the rest of Europe, Spain in the 1st Half of 2023 was also involved in the consultation by the European Commission on the Electricity Market Design, which should lead to the adoption of a proposal by Brussels by next March.

One of the most important issues facing Spain in 2023 with regard to the development of new renewable generation capacity is compliance with the milestones that Royal Decree 23/2020 establishes to maintain access and connection permits to the grid. The deadline for certifying the Environmental Impact Statement and the prior administrative authorization expired in the 1st Half of 2023. Nationwide, more than 50 GW of power from wind and solar projects successfully achieved these two milestones.

In the case of Enel Green Power-Endesa, most of the power in the pipeline also achieved these requirements (more than 4 GW).

As in 2022, the achievement of these goals monopolizes a considerable portion of the activity of the central administration, of the Autonomous Communities and, obviously, of the promoters of renewable generation.

At the end of 2022, the Spanish government published a resolution for the grant of aid, under competitive tendering, for the repowering of wind farms, as well as aid for the development of recycling facilities for decommissioned wind turbine components. Enel Green Power-Endesa has submitted applications for a grant of aid both for the repowering of wind farms and, together with its partners, for the recycling of wind turbine blades. In November 2023 the definitive allocation of aid for the repowering of wind projects with the funds of the Recovery, Transformation and Resilience Plan was published. Enel Green Power was awarded €176 million contributing to the repowering of six projects for a total of 100.3 MW.

At the end of 2022, the Spanish government also published a call for tenders for hybrid storage projects. In case of award, applicants receive a grant to finance investment in and development of the projects. Enel Green Power-Endesa submitted various projects and obtained grants in the amount of €9.2 million in December 2023.

On December 28, 2023, the Royal Decree Law 8/2023 was published. It includes various measures related to renewable generation. It does not extend the reduction in generation remuneration governed by Royal Decree Law 17/2021, due to an excess price of €67/MWh. The measure expired therefore on December 31, 2023. The period of application of the "Iberian derogation", governed by Royal Decree Law 10/2022, was also not extended and therefore expired on December 31, 2023.

For generation projects with access and connection permits after December 31, 2017 and before this Royal Decree Law, the deadline for accreditation of the administrative construction permit has been moved from January 25, 2024 to July 25, 2024. Additionally, for those projects, an extension of the terms may be requested to obtain the definitive exploitation permit within a period of three months, up to a maximum of eight years (until July 25, 2028) indicating the half-year of commissioning. This enables the better organization of projects to be carried out between 2024 and 2028.

Furthermore, the royal decree provides for measures to progressively restore the energy taxation in force before the start of the energy crisis resulting from the war in Ukraine.

Rest of the World

North America

United States

Forced labor in the solar supply chain

In June 2021, US customs authorities responded to reports by issuing a "Withhold Release Order" (WRO) on silicon-based products manufactured by the company Hoshine Silicon Industry Co. Ltd (Hoshine) and its subsidiaries, since they have been accused of exploiting their workforce. The WRO restricts the import into the United States of polysilicon products made by Hoshine Silicon Industry Co. Ltd.

The effect on the US solar industry was the halting of shipments of photovoltaic modules by US customs, resulting in a delay in the delivery of solar equipment to end users, including Enel.

All photovoltaic equipment manufacturers had to produce clear documentation of their supply chain to meet US customs requirements. The documentation had to prove the specific origin of metallurgical grade silicon in imported photovoltaic products and demonstrate the absence of any Hoshine product in any part of the mining or manufacturing process.

Enel's Code of Ethics and corporate procedures do not permit the exploitation of workers by any Group supplier or subcontractor. Nevertheless, Enel is strengthening its controls, reviewing its supply chain and monitoring the implementation of the WRO by customs officials.

In a separate but connected development, in December 2021, President Biden signed the Uyghur Forced Labor Prevention Act (UFLPA). UFLPA requires US customs authorities to apply a presumption that goods "mined, produced, or manufactured in whole or in part" in the Xinjiang Uyghur Autonomous Region are made with forced labor and, therefore, are prohibited from being imported into the United States.

Goods covered by this presumption shall not be allowed to enter unless the importer proves that:

- it has fully complied with government guidelines and regulations;
- it has responded fully and substantially to all US customs inquiries; and
- it is determined “with clear and convincing evidence” that the goods were not produced using forced labor.

Polysilicon is one of the three industries on which application of the WRO is focused, and this focus extends to photovoltaic equipment that could contain raw materials mined in the Xinjiang Uyghur Autonomous Region.

Implementation of the law will be guided by an administrative regulation process under way since February 2022, which is expected to be completed by June 2022.

A key element of the UFLPA came into force on June 21, 2022: rebuttable presumption. From now on, any import of goods mined, produced or manufactured in whole or in part in the Xinjiang Uygur Autonomous Region (XUAR), or from entities identified in a new UFLPA entity list, will be assumed to have been made with forced labor and will be barred from entering the United States. To prevent US customs from blocking the delivery of goods, importers will need to demonstrate whether the goods to be imported (or their components) were extracted, produced or manufactured in the XUAR and/or whether the goods to be imported were purchased from a supplier identified in the UFLPA entity list.

UFLPA compliance by importers should ensure compliance with the current Withhold Release Order (WRO), which blocks the import of any solar equipment containing metallurgical grade silicon manufactured by Hoshine.

The private nature of the blockade imposed by US customs makes it difficult to monitor the application of the UFLPA.

Importers with solar module products using Chinese-sourced polysilicon continue to be detained due to difficulties in providing complete traceability documentation. In December 2023, US customs apparently released detained products that used Chinese polysilicon not sourced from Xinjiang.

Separately, ROTH Capitol reported that Astroenergy also obtained US customs clearance for products made from Chinese polysilicon (Ordos and Asia Silicon) that “appear” to be made from Chinese quartz and MGS.

US duties on imported solar equipment

In February 2022, the Biden administration announced its decision to extend the duties applicable to imported solar panels. The decision extends the collection of duties for another four years, while adopting a very marginal annual tariff reduction: the duty on imported solar panels will de-

cline by 0.25% each year. It is important to note that the Biden administration's decision also confirms the tariff exemption for bifacial solar modules, which are the main type of solar panels used by Enel for its utility-scale projects in the United States. The Biden administration is currently carrying out an intermediate review of the duty. A final report is due to be sent to the President during 2024, after which the President could make changes to the duty or leave the corrective measures as they are.

Also in February 2022, California-based PV manufacturer Auxin Solar filed a petition for a circumvention enquiry with the US Department of Commerce (DOC), asking the DOC to launch an investigation into whether crystalline silicon PV cells and modules (CSPV) from Vietnam, Malaysia, Thailand and Cambodia were “circumventing” anti-dumping and countervailing duties. The DOC then launched an investigation and in August 2023 the DOC officially ended the “Auxin” circumvention investigation, concluding that the AD/CVD applicable to Chinese solar cells and modules will be extended to cells and modules from Cambodia, Malaysia, Thailand and Vietnam.

President Biden issued an emergency declaration on June 6, 2022, giving the DOC the authority to waive the collection of AD/CVD duties and, above all, deposits for duties on CSPV cells and modules exported from Vietnam, Malaysia, Thailand and Cambodia for 24 months, starting from the date of the announcement. The DOC is making use of this new authority and has issued regulations to implement the 24-month emergency declaration, protecting affected imports from Auxin-related duties until June 2024.

The US Department of Commerce (DOC) also clarified that imports of solar cells and modules from Cambodia, Malaysia, Thailand and Vietnam will not be subject to suspension of settlement or cash deposit requirements if accompanied by a certification that they are not circumventing AD/CVD orders.

US duties on imported Chinese products

In 2018, the United States Trade Representative (USTR) conducted a Section 301 investigation and found that China's acts, policies and practices related to technology transfer, intellectual property and innovation were unreasonable and discriminatory.

As a result, it published five lists (List 1, 2, 3, 4A and 4B), each of which identifies different Chinese products subject to different duties. To Enel, the list of greatest interest is that including Chinese components used for wind and solar projects and batteries.

In September 2022, the USTR announced that it was seeking public comments regarding the effectiveness of the Section 301 duties in order to understand the effects of these on the economy and on US consumers in order to

identify any other actions that could be taken.

The clean energy industry has called on the Biden administration to leave tariffs for batteries (7.5%) and battery cells (25%) unchanged; or to lower the tariff for battery cells to 7.5%, eliminating the problem of tariff inversion.

Federal loans and incentives for clean energy in the United States

In November 2021, President Biden signed the \$1 trillion Infrastructure Investment and Jobs Act (IIJA), also known as the bipartisan infrastructure law, unlocking funds for new spending on roads, bridges, aqueducts, broadband. The new law also contains provisions to boost the expansion of the country's electricity grid and support existing and new clean energy technologies. It also contains provisions to support existing nuclear power plants and hydroelectric plants, clean up orphaned wells and abandoned mining lands and facilitate access to critical minerals needed for clean energy production. Of potential interest to Enel, the following programs were announced:

- clean hydrogen: the Department of Energy (DOE) has received \$7 billion to develop between 6 and 10 "Clean Hydrogen Hubs" in the United States. Each hub will consist of a network of clean hydrogen producers, potential consumers and connecting infrastructure located in close proximity. The DOE received applications, which had to be completed and sent by April 2023, and selected seven regional programs in October 2023. Negotiations to finalize proposals are under way;
- the National Electric Vehicle Infrastructure Formula Program (NEVI) has made \$5 billion in funding available over five years and distributed across all 50 states. The plan aims to promote the development of battery-powered cars, ensuring that motorists always have somewhere to charge their vehicles. The funding covers the cost of EV charging stations and the related infrastructure (including solar power and storage systems), as well as operation and maintenance costs for five years;
- electric vehicle charging infrastructure: the US Department of Energy (DOE) and the US Department of Transportation (DOT), acting through the Federal Highway Administration, have presented a plan to create a network of public electric vehicle chargers along interstate highways worth \$5 billion. The money will be distributed over five years across all 50 states. The plan aims to promote the development of battery-powered cars, ensuring that motorists always have somewhere to charge their vehicles. Separately, the DOT, acting through the Federal Transit Administration, has announced a plan to distribute \$5.3 billion in grants to state and local transit agencies for the "Low or No Emission Vehicle Program". The "Low or No Emission Vehicle Program" supports transport agencies in purchasing or leasing low or no emission buses and other transport vehicles that use technologies such as electric batteries;

- strengthening the power grid and expanding transmission: this program of \$2.5 billion in government subsidies over five years was introduced to strategically distribute publicly available EV charging infrastructure and other infrastructure to be located along alternative fuel corridors. At least 50% of this funding must be used for projects that expand access to EV recharging and alternative fuel infrastructures in rural areas, low- and moderate-income sections and communities with little private parking;
- electric school buses: \$5 billion over five years has been allocated to replace existing diesel-powered school buses with clean, zero-emission buses. Half of the funding will be spent on electric zero-emission buses, while the other half will be used on zero-emission buses powered with alternative fuels. Grants can cover up to 100% of the costs of replacing existing schools and installing charging and refueling stations. The IIJA will replace over 1,000 transport vehicles, including buses, with clean electric vehicles, thanks to an additional appropriation for the US DOT of \$5.75 billion over the next five years, 5% of which will be dedicated to training the transportation labor force on maintaining and managing the fleets.

Inflation Reduction Act of 2022

On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA), which sets aside about \$415 billion over the next 10 years in the form of grants, tax credits and investments to support new clean energy technologies projects, renewable energy generation, the electrification of transport systems and climate-smart agriculture. It is expected that the measures will reduce carbon emissions by almost 40% in the United States by 2030 and will raise US GDP by 0.2% in 2031. The funding will be distributed as follows:

- energy (to extend, and in some cases increase, tax credits; \$263 billion);
- climate (to accelerate the reduction in emissions and support low-income communities; \$48 billion);
- generation (to encourage the domestic production of solar panels, wind turbines and batteries; \$48 billion);
- environment (to create environmental quality incentives; \$27 billion);
- transportation (through offering tax credits to consumers; \$24 billion);
- water (through a drought-relief program; \$5 billion).

The US Department of Treasury is currently working on the guidance needed for a new set of tax credits. The various tax credits will be phased down starting the latter of:

- December 31, 2032; or
- the year in which the US's greenhouse gas emissions from electricity generation will be 25% below 2022 emission levels.

Depending on that status of the infrastructure to be built, tax credits may be available beyond 2032. The following are the IRA provisions that are of greatest interest to Enel.

Extension and expansion of federal tax credits for clean energy: the IRA extends the production tax credit (PTC) (\$26.5/MWh for projects that begin construction after December 31, 2021) and introduces a new technology-neutral clean electricity tax credit commencing in 2025. It also extends the investment tax credit (ITC) (30% for projects that begin construction after December 31, 2021) and launches a new technology-neutral clean electricity ITC beginning in 2025. Solar power developers may now request PTC instead of ITC. However, to be eligible for the full credit, projects must meet the prevailing wage and apprenticeship requirements for the entire period of construction (and perhaps also for some of the maintenance activities); project owners that fail to comply will have to pay a penalty or see their tax credit reduced to 20% (\$5/MWh PTC or 6% ITC). The IRA also adds stand-alone energy storage projects, in line with the conditions for solar power, and microgrid controllers, specifically for systems of between 4 kW and 20 MW, to the technology eligible for ITC.

The IRA creates a bonus tax credit if domestic content requirements or energy community requirements are met. Another new bonus tax credit is available for solar and wind facilities (and connected storage systems) located in low-income communities.

A new 10-year clean hydrogen PTC of \$3 per kilogram is available for hydrogen produced after December 31, 2022. For a project to be eligible, construction must begin before January 1, 2033.

Extension and expansion of federal tax credits and loans for electric vehicles: in order to encourage the electrification of the transportation sector, the IRA extends various tax credits for new and previously owned electric vehicles and commercial electric vehicles, including buses, and expands the tax credit to cover the purchase of EV charging equipment.

The IRA allocates \$1 billion for replacing heavy-duty Class 6 and 7 commercial vehicles with zero-emission vehicles (for example, school buses, public transportation bus, garbage trucks) and \$3 billion for the US Postal Service to purchase new electric delivery vehicles and charging stations.

New advanced manufacturing production tax credits: the IRA creates a new PTC for the production of components for wind, solar and battery projects, such as solar PV cells, PV wafers, PV modules, wind turbines, nacelles, inverters, battery cells and modules, and many others. Tax credit amounts vary by component, production cost and certain capacity factors. To be eligible, the component must be

produced by the taxpayer in the United States. Credits are available on an annual basis for components sold beginning in 2023 until 2032 (gradually reduced starting from 2030).

New direct payment of applicable tax credits and the transferability of some tax credits: the IRA creates the option for some sector operators to choose between direct pay or transferability of the tax credit, which means that we will see changes in the ways projects are developed and an expansion in the number of industries that develop projects. Enel is particularly interested in the direct pay option for new advanced PTC and for new clean hydrogen PTC.

US Department of the Treasury solicits public input and finalizes IRA tax credit guidelines

The US Department of the Treasury spent much of 2023 issuing preliminary guidance and soliciting public input before issuing final guidance. Although preliminary guidelines have been published for most of the tax credits of particular interest to Enel to encourage investment, Enel is still awaiting the publication of final guidelines. The Department of the Treasury does not expect to finalize all tax credit guidance related to the Inflation Reduction Act before 2024.

Development of renewable energy on federal/public lands

The Biden administration set the goal of authorizing 25 GW of renewable energy on public lands by 2025. In order to reach this goal, the administration has ordered federal agencies to accelerate reviews of clean energy projects for production on public lands by establishing five new renewable energy coordination offices and has cut rents and fees for solar and wind projects on public lands by more than 50%.

Climate information

The US Securities and Exchange Commission is finalizing the rules on what climate-related information registrants need to disclose in their filings and annual reports. Such information will include data on greenhouse gas emissions, certain climate-related financial metrics, and material climate risk. The rules had been scheduled to be issued by the end of 2022, but the release date has been postponed several times.

Individual state policy actions

Texas Governor Abbott signs pro-fossil/anti-renewables legislation: the legislation promotes state-sponsored low-interest loans for “dispatchable” generation, which is seen largely as a boon to the natural gas industry. The law also creates a new ancillary service that can only be satisfied by “dispatchable” generation, the conditions of which will make it difficult for energy storage to participate. A

new funding mechanism for dispatchable assets, capped at \$1 billion per year (net), will require assets to demonstrate their availability to the market during times of grid stress. Interconnection charges will be awarded to the new generation that exceeds an average interconnection charge, determined by the Public Utilities Commission of Texas (PUCT). The basic interconnection cost thresholds adopted by the PUCT are acceptable according to the renewables industry. The allowance for renewable energy systems interconnecting to lines of 138 kV or less is \$12 million; for systems interconnecting to lines greater than 138 kV, the allowance is \$22,5 million.

New resources interconnecting after 2027 will have to demonstrate that they are able to meet an average level of production per season, based on their activity class, both by having on-site resources and through power purchase agreements. Batteries can meet this requirement. Many of these elements, including cost allocation, will be implemented by PUCT or the Electric Reliability Council of Texas (ERCOT).

California appropriates significant funds for clean energy initiatives: at the end of 2022, California had an almost \$100 billion budget surplus and so allocated significant funding for various programs, including clean energy. Among these, it allocated a \$550 million lump sum to support distributed backup electricity assets (DEBA) for zero or low-emission resources to support the grid when necessary, and a one-time \$200 million appropriation for demand-side grid support (DSGS) to reduce the load on the grid during periods of extreme stress.

In 2023, California will have a budget deficit of \$31.5 billion, but no reduction of funds has been approved in the year. Since the budget deficit is expected to be even higher in 2024, proposals to reduce funds to DEBA and to DSGS have been submitted.

Illinois adopts renewable energy siting reform: in January 2023, the Illinois legislation shifted renewable energy location decisions away from local communities and adopted pro-renewable energy siting standards that apply throughout the state, which all communities must adopt when approving new projects. The legislation requires counties with an existing zoning ordinance that conflicts with provisions of the new law to amend their zoning ordinance to comply with state law by May 30, 2023. The new law specifies setback requirements, restrictions on the height of the blade tips, acoustic limitations and other restrictions. Most importantly, the law requires the county to make a decision on a project within 30 days of the conclusion of the public hearing, to avoid years of project delay and millions of dollars in additional costs locally.

Maryland approves major energy storage law: in April 2023, for the first time in state history, the Maryland General As-

sembly established a goal of 3,000 MW of energy storage and created the Maryland Energy Storage Program. The new law requires the Public Service Commission to establish a competitive procurement program by July 1, 2024. The program will include energy storage credits and market-based incentives. The law is expected to lead to \$100 million in energy cost savings for Marylanders and help reduce energy sector emissions by 90%.

Michigan adopts renewable energy siting reform and clean energy legislation: in 2023 the Michigan legislature approved two important bills, signed by the governor. The first bill established state siting standards for renewable energy and battery energy storage that cannot be made more burdensome by local governments. Disputes between state law and local authorities will be resolved by the Public Service Commission. The second bill establishes a renewable energy standard for Michigan of 50% by 2030, 60% by 2035 and 100% of clean energy by 2040. This bill increases the cap for distributed generation and creates a mandate for 2,500 MW of battery energy storage.

Increase utility ownership of generation: because the Inflation Reduction Act allows utilities to claim tax credits at the time of production, rather than depreciate them over the life of a project, a number of utilities have proposed legislation to codify a preference for development of new renewable energy and energy storage projects by utilities. Nevada has passed legislation that will allow NVEnergy to build most new renewable energy and energy storage projects. Puget Sound Energy in the state of Washington has pushed for legislation requiring 50% of all new generation to be assigned to the utility. The bill failed to be approved this year. In its plans for electric resources, the Public Service Company of Colorado (PSCo) had decided that more than 60% of next generation projects would be owned by PSCo. The Colorado Public Service Commission reduced the utility's ownership of such projects to just over 50%.

Canada

On March 28, 2023, the Canadian government unveiled a budget that reinforces its ongoing commitment to accelerate the transition to a low-carbon economy. The budget contains a series of measures supporting the development of renewable energy plants, clean hydrogen plants and electric vehicle charging equipment and has replenished existing funds to support investments. The budget was passed on June 11, 2023.

Main developments:

- Clean Hydrogen Investment Tax Credit (Hydrogen Credit): 15–40%;
- Clean Technology Investment Tax Credit (Cleantech ITC): 15%;
- Clean Electricity Investment Tax Credit (Electricity Credit): 30%;

- Clean Technology Manufacturing Investment Tax Credit (Manufacturing Credit): 30%;
- Carbon Capture, Utilization and Storage Investment Tax Credit (CCUS Credit): 15–40%.

Most investment tax credits have job requirements that must be met in order to obtain the full amount of the respective credit. These job requirements fall into two categories:

- prevailing wage requirement: requires workers to be paid at a level comparable to the relevant wage, with benefits and pension contributions;
- apprenticeship requirement: requires at least 10% of total working hours to be undertaken by registered apprentices.

In November 2023, the Deputy Prime Minister and Minister of Finance presented a motion to introduce a bill entitled “An act to implement certain provisions of the fall economic statement” tabled in Parliament on November 21, 2023 and certain provisions of the budget tabled in Parliament on March 28, 2023. With the presentation of the Ways and Means motion and the legislation to implement the fall economic statement (FES), Clean Technology Investment Tax Credit (Cleantech ITC) labor requirements are now in effect. The Cleantech ITC is one of several amendments to the Income Tax Act (ITA) contained in the FES implementation act. The bill is currently at the reading and examination stage.

Developments in provincial policies

In May 2023, Alberta citizens re-elected the United Conservative Party to form a governing majority. As Prime Minister Danielle Smith appoints ministers for relevant portfolios, restructures senior department officials and reprioritizes her government, the energy industry can expect a continuation of existing policies from the past four years. This includes the continuation of the regulation on technological innovation and the reduction of emissions, the carbon price for primary industry that allows the development of renewable energies, as well as the finalization of the phasing out of coal-fired power generation.

On August 2, 2023, Alberta's Minister of Energy has issued an order to the Alberta Utilities Commission (AUC or Commission) to block the processing of new permits for the construction of new utility-scale renewable energy generation facilities until the Commission, the Alberta Electric System Operator (AESO) and the Minister of Energy were able to determine whether the continued development of renewable resources in Alberta was increasing pressure on electricity rates and compromising the reliability.

Meetings and requests for information took place over the remainder of 2023. The AESO is also reviewing its current market structure for possible changes. The Premier of Alberta, a conservative, oil-producing province, told the Prime Minister of Canada that Alberta will not seek to meet the

country's clean energy or greenhouse gas emissions reduction goals. Work on these issues will continue until 2024.

Africa, Asia and Oceania

India

On December 5, 2022, the Deviation Settlement Mechanism and Related Matters Regulation (2022 DSM Regulation) published by the Central Electricity Regulatory Commission (CERC) and replacing the 2014 DSM Regulation entered into force.

The new regulation has a negative impact on Independent Power Producers (IPPs) with wind and solar plants. Basically, over-injection (i.e. injection into the grid in excess of the declared generation) will be compensated:

- for PV/hybrid (wind + solar) plants, at the contractual rate for up to a 10% deviation and at 90% of the contractual rate for an over-injection of between 10% and 15%;
- for wind plants, at the contractual rate for up to a 15% deviation and at 90% of the contractual rate from 15% to 20%.

No payment will be made for an over-injection of above 20%. Compared with the previous version, the regulation increases the remuneration percentage, and increases the threshold over which no payment is made from 10% to 20%.

Terms also change for under-injections (generation below scheduled levels), with a reduction of the deviation band from the planned amounts, with higher penalties compared with 2014, breaking down as follows:

- for PV/hybrid (wind + solar) plants, with under-injections of up to 15%, the IPP will pay the buyer the contract rate with no further penalty. For under-injections from 10% to 15%, the shortfall will be paid at 110% of the contract rate, while those above 15% will be paid at 150%;
- for wind plants, for under-injections up to 15%, the IPP will pay the buyer the contract rate with no further penalty. For under-injections from 15% to 20%, the shortfall will be paid at 110% of the contract rate, while those above 20% will be paid at 150%.

The new DSM Regulation has an impact on revenue due to (i) no payment of over-injections over a 15% deviation for PV/hybrid plants and over 20% for wind plants, (ii) the increase of deviation penalties in case of under-injections.

Morocco

The reform of Law 13.09, the key renewable energy law, approved in January 2023, permits entering into Power Purchase Agreements (PPAs) with customers connected to the medium-voltage grid, effectively opening a new market for Enel Green Power in the country. Until now it was possible to enter into PPAs only with end users connected to the high-voltage and very-high-voltage grids. The secondary legislation that will make Law 13.09 enforceable has yet to be enacted but is expected to pass in 2024.

Enel Grids

Italy

Rates for the fifth regulatory period (2016–2023) are governed by the ARERA Resolution no. 654/2015/R/eel. This period lasts eight years and is divided into two sub-periods of four years each (NPR1 for 2016–2019 and NPR2 for 2020–2023).

With regard to the NPR2 period, ARERA published Resolution no. 568/2019/R/eel, with which it updated rates for transmission, distribution and metering services in force in the 2020–2023 period, publishing the new integrated texts. The method for determining the WACC for the 2022–2027 period was updated with Resolution no. 614/2021/R/com, establishing a value of 5.2% for electricity distribution and metering. The regulation provides for an update of the value for 2025–2027, as well as the possibility of a further annual updating (in 2023 and 2024), should certain financial indicators lead to a change in the WACC of at least 50 bps. With Resolution no. 654/2022/R/com, ARERA confirmed the value of WACC at 5.2% in 2023, as the conditions to proceed with the update have not been met, while the value of WACC for 2024 was updated to 6% with Resolution no. 556/2023/R/com.

As for distribution and metering rates, the Authority approved the definitive reference rates for 2022, calculated by taking into account the updated balance sheet data for 2021 (Resolution no. 154/2023/R/eel) and the provisional reference rates for 2023 on the basis of the preliminary balance sheet data for 2022 (Resolution no. 206/2023/R/eel). The definitive reference rates for 2023 are expected to be published in 2024.

With Resolution no. 271/2021/R/com, the Authority initiated a procedure to introduce, from 2024, new methods for recognizing the costs of infrastructure services (ROSS-base – Adjustment for Expenditure and Service Objectives). As part of the ROSS-base mechanism, in 2023 the Authority published Resolution no. 163/2023/R/com, with which it approved the “Integrated Text of the criteria and general principles of the ROSS regulation” (TIROSS 2024–2031) for infrastructure services in the electricity and gas sectors, as well as Resolution no. 497/2023/R/com, with which it specified the application criteria, modifying the TIROSS. Finally, with Resolution no. 616/2023/R/eel it approved distribution and metering rates for the 2024–2027 period, publishing the new integrated texts (TIT – provisions for delivery of transmission and distribution services; TIME – provisions for delivery metering services; and TIC – economic terms for delivery of metering services).

During 2023, the Authority, implementing the government's provisions, progressively reintroduced the general system

charges to be applied to customers (in the 1st Quarter, they were applied only to users with available power over 16.5 kW; in the subsequent quarters they were applied to all electricity users). The Authority also took action during 2023 with regard to social allowances, providing for, among other things, an update of the requirements for access to the benefits and specific strengthening measures to contain the effects of the increase in energy bills.

With Resolutions no. 232/2022/R/eel and no. 712/2022/R/eel, ARERA updated in 2022 the rate regulation for reactive energy providing for the entry into force by April 1, 2023 of charges for reactive energy injected and an update of the charges for reactive energy withdrawn for distributors as well.

At the end of 2023, ARERA again updated the regulation, providing for a single fee for excessive withdrawals and injections of reactive energy paid by MV and LV customers from 2024. It also modified the share of revenue retained by distribution companies, which will be updated annually. ARERA has also introduced a mechanism that incentivizes distribution companies to install compensation systems for reactive energy injections to the National Electricity Transmission Grid.

As regards service quality, with Resolution no. 646/2015/R/eel and no. 566/2019/R/eel as amended, the Authority established output-based regulation for electricity distribution and metering services for the 2016–2023 period (TIQE 2016–2023), introducing tools to bridge gaps in quality of service still existing between the various areas of the country and examine certain mechanisms concerning the effects of climate change.

As from January 1, 2024, with Resolutions no. 617/2023/R/eel and no. 614/2023/R/eel, the Authority updated the output-based incentive regulation of technical and commercial service quality and network resilience.

In particular, with Resolution no. 617/2023/R/eel and the related annexes TIQD and TIQC, ARERA adopted improvements that radically modified the twenty-year-old regulatory system, specifically in terms of continuity of distribution services and introducing an incentive mechanism for development measures.

With Resolution no. 614/2023/R/eel, ARERA defined the regulation of resilience for the 2019–2024 period, governing the termination of the regulations in place since 2018, modifying the incentive mechanism for resilience interventions in the 2024 plan.

With regard to relations between distributors and traders, on January 1, 2021 the new version of the Electricity Transport Grid Code came into force with Resolution no. 261/2020/R/eel, which, due to the reduction in the time

required to terminate transport contracts due to the default of sellers, reduced the credit exposure of distributors. Consequently, the value of guarantees that all sellers must give to distributors to cover the transport service provided was reduced (passing from a level of coverage ranging from 3 to 5 months of the trader's turnover to a new range between 2 and 4 months).

With Resolution no. 119/2022/R/eel, ARERA introduced a single mechanism for distribution companies for the reimbursement of system general charges and network charges not collected by defaulting sellers in order to unify and streamline the pre-existing mechanisms.

More specifically, the resolution confirms the application of two deductibles for the recognition of credits relating to network charges. On the one hand, this is to serve as an incentive for an efficient management of the credit by the distributor and, on the other, to remove what has already been compensated by the rate system. The resolution provides for requests for reimbursement to be made on an annual basis and liquidated in the same year.

Energy efficiency – White certificates

The decree of the Ministry for the Ecological Transition of May 21, 2021 amended the ministerial decree of January 11, 2017 as already amended by the decree of the Ministry for Economic Development of May 10, 2018. The measure set the national quantitative targets for electricity and gas distribution companies for the years 2021-2024. The decree also updated the methods for distribution companies to meet the obligation and for reimbursing the related costs.

Iberia

2023 electricity rates

On December 22, 2022, the National Commission for Markets and Competition (CNMC) Resolution of December 15, 2022 was published in Spain's Official Journal, establishing the access charges for electricity transmission and distribution networks to be applied starting from January 1, 2023, providing for an average reduction of 1.0% compared with January 1, 2022.

On December 29, 2022, Order TED/1312/2022 of December 23, 2022 was published in Spain's Official Journal. It establishes electricity system charges applicable from January 1, 2023 and sets the various regulated costs of the electricity system for 2023. The new rates for 2023 represent an average reduction of about 40.0% compared with the charges approved on January 1, 2022.

Natural gas rates for 2023

On December 28, 2022, the Resolution of December 22, 2022 of the Directorate General for Energy Policy and Mines was published. It establishes the rate of last resort

(TUR) for natural gas to be applied as of January 1, 2023, and, taking account of the provisions of Royal Decree Law 17/2021 of September 14, provides for approximate increases of 7.7%, 9.0% and 9.5% (excluding taxes) respectively for TUR 1, TUR 2, and TUR 3. Meanwhile, the TURs applicable to homeowners' associations, introduced by Royal Decree Law 18/2022 of October 18, were reduced by around 2.0% (excluding taxes).

On March 30, 2023, the Resolution of March 28, 2023 of the Directorate General for Energy Policy and Mines was published. It establishes the rate of last resort (TUR) for natural gas to be applied as of April 1, 2023, with a reduction of about 27.1%, 31% and 32.7%, respectively (excluding taxes), for TUR 1, TUR 2, and TUR 3. Meanwhile, the TURs applicable to homeowners' associations, introduced by Royal Decree Law 18/2022 of October 18, were reduced by around 45.7% to 56.3% (excluding taxes).

On June 29, 2023 the Resolution of June 27, 2023 of the Directorate General for Energy Policy and Mines was published. It establishes the rate of last resort (TUR) for natural gas to be applied as of July 1, 2023, with a reduction of about 2.4%, 2.9% and 3.1%, respectively (excluding taxes), for TUR 1, TUR 2, and TUR 3. Meanwhile, the TURs applicable to homeowners' associations, introduced by Royal Decree Law 18/2022 of October 18, were reduced by around 3.6% to 5.4% (excluding taxes).

On September 29, 2023, the Resolution of September 28, 2023 of the Directorate General for Energy Policy and Mines was published. It establishes the rate of last resort (TUR) for natural gas to be applied as of October 1, 2023, with a reduction of about 3.4%, 0.3% and 1.1%, respectively (excluding taxes), for TUR 1, TUR 2, and TUR 3. Apart from these, the TURs applicable to homeowners' associations, introduced by Royal Decree Law 18/2022 of October 18, increased by about 10.7% to 20.7% (excluding taxes).

Natural gas rates for 2024

On December 29, 2023, the Resolution of December 28, 2023 of the Directorate General for Energy Policy and Mines was published. It establishes the rate of last resort (TUR) for natural gas to be applied as of January 1, 2024, with an increase of about 6.5%, 7.9% and 8.5%, respectively (excluding taxes), for TUR 1, TUR 2, and TUR 3. Meanwhile, the TURs applicable to homeowners' associations, introduced by Royal Decree Law 18/2022 of October 18, were increased by about 4.8% to 6.8% (excluding taxes). Royal Decree Law 8/2023 established that VAT on gas will increase from 5% to 10% from January 1, 2024 to March 31, 2024.

Remuneration for distribution activities

On August 3, 2022, Order TED/749/2022 of July 27 was published. It approved the incentive or penalty for achieving a reduction in losses within the electricity distribution network for 2016, modifying the base remuneration for

2016 for several distribution companies, and approving the remuneration of electricity distribution companies for 2017, 2018 and 2019. This ministerial order sets the value of the remuneration for the years 2017 to 2019, taking into account the previous reports of the CNMC. Furthermore, on December 16, 2022, CNMC began preparing its proposed resolution setting the remuneration for 2020.

Closed electricity distribution grids

On April 26, 2023, Royal Decree 314/2023 of April 25 was published. It regulates the conditions and requirements for closed electricity distribution grids and their owners, as well as the administrative authorization procedure and the circumstances for revocation of that authorization. The industrial owners of the closed grid will have to build it or buy it from a distribution company, and will be responsible for managing it, investing in its maintenance and billing rates, charges and other costs to the consumers connected to it, while the traders selling electricity to the members of the closed grid will only bill for the power consumed.

Rest of the World

Latin America

Chile

The Chilean electricity sector is governed by the General Electricity Service Act 20.018, contained in Decree 1 of 1982 issued by the Ministry of Mines, subsequently updated by the Ministry of Economy with Decree 4 of 2006 as amended ("Ley Eléctrica") and its corresponding implementing regulation, contained in Decree 327 of 1998.

Distribution rates for 2020-2024

The process of determining rates for the 2020-2024 period is still under way. For the moment, rates continue to be applied in accordance with the methodology in force for the 2016-2020 period.

Argentina

Rate revisions

With Resolution no. 240/2023, the regulator ENRE approved the new rates to be applied as from April 1, 2023. In particular, it:

- incorporates the increase in the FNEE envisaged by SE Resolution no. 719/22 (\$512/MWh from April 1, 2023) and the first increase in the VAD (Distribution Value Added) or CPD (Own Cost of Distribution) granted to Edesur of 107.83%;
- publishes the new CPD or VAD, which will take effect as from June 1, 2023 with an additional 74% increase to apply in a future rate chart;

- establishes the new CEN and CESMC values to be applied starting from April 1, 2023, corresponding to semester 54 (March 2023 – August 2023).

The average distributor rate is set at about 13,706 \$/kWh (+23%).

Service quality of electricity distribution

Following the events occurring from February 10, 2023, which caused the interruption of low- and medium-voltage supply to a large number of customers, ENRE called for a Comprehensive Technical Audit to determine the capacity and reliability of the public electricity distribution service and monitor service quality.

The teams conducted a process audit to verify the consistency of technological availability, materials, supplies and human resources to execute the substantive management processes consisting of primary assistance, claims, operation, corrective and preventive maintenance, investment planning, loss management, internal cost controls and management processes.

Investment program for the distribution grid

On August 7, 2023 a memorandum was signed between the Ministry of Energy and Edesur, with the simultaneous presence, notification and signature of ENRE, aimed at ensuring that the State will provide the necessary funds for the construction work plan prepared by Edesur, with the aim of improving the quality of the service, in addition to adopting a time framework suitable for the execution of the works, considering the impact on the public service deriving from the increase in electricity demand and taking into account the urgent need to implement the cited work plan to reduce service interruptions caused by the high demand for electricity and overloading of grids during periods of record high temperatures last summer. Furthermore, seeking to ease the financial burden on users, on October 10, 2023 the Ministry of Energy issued Resolution no. 828, which allows Edesur and Edenor to transform the penalties to be paid to the State into a "Program of works, jobs and/or actions to meet the challenges of next summer", provided they are in compliance with their obligations towards CAMMESA. In compliance with the legislation, on October 26, 2023, with Ger Gen note no. 127/2023, the Program was presented to the Ministry of Energy.

Memorandum of understanding for "special obligation settlement regime"

On December 29, 2022, addressing the "special obligation settlement regime" and the "special receivables regime" established with Article 87 of Law 27.591, extended with the PEN 88/2022 decree, a memorandum of understanding was signed between the Ministry of Energy and ENRE, on the one hand, and Edesur, on the other, with CAMMESA, also referred to in the same instrument as a notified entity.

This agreement provided for: (a) the recognition by Edesur of the liability in respect of CAMMESA and the MEM (whole-sale electricity market); (b) the recognition of a receivable due to Edesur from the Ministry of Energy, applicable to the partial compensation of the recognized liability; and (c) the determination of a payment plan for the liability referred to in point (a) after the compensation referred to in point (b), the amount of which is within the limits of that attributed by ENRE in the recomposition of the VAD. Furthermore, Edesur has undertaken to apply an amount equivalent to a part of the recognized receivable, to settle the liabilities of defaulting users benefitting from demand support policies, as well as to submit reporting on the investment plan associated with the mechanism envisaged under SE Resolution no. 371/2021 to encourage the investment to increase energy efficiency and improve the quality of electricity distribution. On April 25, 2023, the Ministry of Energy issued a note addressed to CAMMESA, instructing it to adopt the necessary measures to apply the agreement signed on December 29, 2022 within the framework of the “special obligation settlement regime” concerning the implementation of a payment plan for Edesur’s residual liability in respect of that company, in accordance with the scope of the aforementioned agreement. The foregoing was based on the calculation report submitted by CAMMESA to the Ministry of Energy on April 18, 2023 and the agreement issued by Edesur on April 20, 2023.

Regarding the “*Acta Acuerdo Régimen Especial de Obligaciones*” (Article 87 of Law 27591 of the National General Budget for 2021), on May 18, 2023, within the scope of the memorandum of understanding of December 29, 2022, the payment plan with CAMMESA was implemented. The payment plan provides for 96 increasing monthly installments and an interest rate equivalent to 50% of that in force in the MEM. The first installment was paid on September 25, 2023. Payment is subject to the attribution by ENRE of the recomposition of the VAD or the CPD during the transitional rate adjustment process.

With regard to the repayment of this financing, the agreements signed with the Ministry of Energy establish that ENRE must include the necessary resources in the framework of the Comprehensive Rate Review (RTI) process in a timely manner. For its part, the Ministry of Energy shall establish term and conditions no earlier than 180 days from the entry into force of the rate tables resulting from the aforementioned RTI, expressly addressing that financing, considering an interest rate equivalent to the average rate paid by CAMMESA on its financial resources.

To guarantee the faithful fulfillment of each of the obligations assumed by Edesur with this contract and the repayment of the financing, the company assigns and transfers to CAMMESA receivables of any sort that it may claim within the MEM. This transfer as security will remain in force until the total extinguishment of the financing.

Brazil

Rate revision for Enel Distribuição Ceará

The latest complete rate revisions approved for each Brazilian distribution company belonging to the Enel Group are summarized below:

Company	Date of rate adjustment	Average increase	
		High voltage	Low voltage
Enel Distribuição Rio de Janeiro	March 2023	-4.91%	+6.18%
Enel Distribuição Ceará	April 2023	-3.77%	+5.51%
Enel Distribuição São Paulo	July 2023	-6.10%	-0.97%

In view of the disparity between the energy costs recognized in rates and the real costs outside the control of the distributor, in January 2015, the regulator ANEEL started the implementation of the Tariff Flags system which applies an additional monthly component to the rate charged to consumers, provided that the marginal system cost is greater than the standard regulatory cost.

Rate revision for Enel Distribuição Rio de Janeiro

On October 31, 2023, ANEEL approved the extraordinary tariff review (ETR) of Enel Distribuição Rio de Janeiro due to the pandemic and the law prohibiting electricity cuts. The effects of the ETR, pursuant to ANEEL Order no. 4.089/2023, are considered an interest component in the company’s upcoming rate review on March 15, 2024.

Colombia

The Energy and Gas Regulatory Commission (CREG) defines the method of remuneration of the distribution grid. The distribution rates are determined every five years and are updated monthly on the basis of the Producer Price Index (IPP).

Rate revisions

With Resolution no. 122 of 2020, CREG set the distribution rates for Codensa for the 2018-2023 period.

In March 2023, CREG published Resolution no. 101 015 of 2023, to extend the period of application of the transitional measures to defer the payment of sales companies to generation, transmission and distribution companies. The provision allows the deferral of payment for up to 18 months and applies until April 30, 2024.

Peru

The main laws governing the Peruvian electricity market are the Electricity Concessions Act (Decree Law 25844) and its regulations and the Efficient Electricity Generation Act (Law 28832).

The Electricity Concessions Act divides the Peruvian electricity sector into three large segments: generation, transmission and distribution, with no company permitted to participate in more than one segment. The Peruvian electricity system consists of the National Interconnected Electricity System (SEIN), as well as some isolated electricity systems.

End-user Markets

Italy

Elimination of price protection

The current regulatory framework governing the process of eliminating regulated prices in the electricity sector (Law 124/2017 – the Competition Act – as most recently amended by Decree Law 152/2021 implementing the NRRP, ratified with Law 233/2021) provides for a staggered postponement of the removal of price protection: to January 1, 2021 for small businesses, to January 1, 2023 for micro-enterprises and to January 2024 for domestic customer auctions.

The ministerial decrees implementing the Competition Act and ARERA Resolutions no. 491/2020/R/eel and no. 208/2022/R/eel have implemented the elimination of price protection for small businesses and micro-businesses (and non-residential customers with a committed capacity of less than 15 kW), making provision for the activation of specific last resort services (“graduated safeguard services”) provided by operators awarded the concession in a tender for customers who do not have chosen a free-market supplier.

The graduated safeguard service for small businesses lasts three years, will expire on June 30, 2024 and will be reassigned with new auctions.

For micro-enterprises, the service will be provided until March 31, 2027. At the end of the first service period, supplies still served under graduated protection will switch to the most economically advantageous free-market offer of the same operator.

For non-residential micro-enterprise customers with a committed capacity of less than 15 kW, ARERA, due to the postponement to April 1, 2023 for technical reasons of the start date of the last resort service dedicated to them, established that the financial terms and conditions of the enhanced protection service will continue to apply until March 31, 2023 for customers already served.

With regard to residential customers, Legislative Decree 210/2021 has identified two categories for which the elimination of price protections will involve different

In Peru, the process for determining distribution rates takes place every four years and is referred to as the “Distribution Value Added Fixing” (VAD). The last approved rate cycle is valid for the 2022-2026 period, with new VAD in force as from November 1, 2022.

timeframes and methods: “vulnerable” customers (such as customers over 75 years of age, recipients of a social allowance due to economic or physical hardship, individuals with disabilities pursuant to Law 104/1992, users located in emergency homes following natural disasters) and “non-vulnerable” customers.

Decree 169 of May 18, 2023 of the MASE regulated the assignment through competitive procedures carried out on a territorial basis for the graduated safeguard service for non-vulnerable residential customers, setting the market share awardable to each operator at 30%. The same decree established that, upon expiry of the service assignment period scheduled for 31 March 2027, supplies will switch to the most economically advantageous free-market offer with the same operator.

ARERA Resolution no. 580/2023/R/eel, implementing the Decree Law 181/2023 (the “Energy Decree”), scheduled the tenders for January 10, 2024. With the earlier Resolution no. 362/2023/R/eel as amended, ARERA regulated the methods for the award and delivery of graduated safeguard services in which customers identified as non-vulnerable will be supplied with residential supplies. Pursuant to Resolution no. 600/2023/R/eel, due to the postponement of the auctions provided for in the Energy Decree, the service will be provided starting from July 1, 2024 by the sellers awarded the tender. The final award is expected by February 6, 2024. Until July 1, 2024, non-vulnerable residential customers will continue to be served by the operator of the enhanced protection service.

As regards vulnerable domestic customers, the Energy Decree refers to a provision of the Authority the definition of the methods for the exit of customers from the greater protection through the assignment of a “vulnerability service” by tender. Pending this provision, vulnerable customers will continue to be served by the current operator of the enhanced protection service.

As regards the gas sector, the elimination of price protections starting from January 2024 is governed by ARERA Resolution no. 100/2023/R/gas, which establishes that non-vulnerable residential customers and condominiums

who have not selected a free-market offer shall move to the free market with their seller in accordance with rules defined by ARERA. Customers identified as vulnerable pursuant to Decree Law 115/2022 (the Second Aid Decree) will continue to be served under the economic and contractual conditions specified by ARERA for the vulnerability protection service.

With regard to the elimination of price safeguards for small firms in the electricity sector, in March 2021, Enel Energia and Servizio Elettrico Nazionale (together with Enel Italia) appealed the decree of the Ministry for Economic Development implementing the Competition Act before the Lazio Regional Administrative Court, contesting the imposition of the antitrust cap at 35% and the lack of provisions for the reimbursement of the residual costs of Servizio Elettrico Nazionale following the loss of customers. With regard to the latter point, in March 2021, Servizio Elettrico Nazionale and Enel Italia had also challenged Resolution no. 491/2020/R/eel with an appeal before the Lombardy Regional Administrative Court. At the moment, no hearing has yet been set for these appeals.

In July 2022, Enel Energia and Servizio Elettrico Nazionale, basing their challenges on the same grounds, appealed Resolution no. 208/2022/R/eel, relating to micro-enterprises and non-residential customers with a committed capacity of less than 15 kW, before the Lombardy Regional Administrative Court; in November 2022, they also appealed before the Lazio Regional Administrative Court the decree of the Ministry of the Ecological Transition setting out how graduated safeguard services for micro-enterprises are to be implemented.

With Resolutions no. 136/2023/R/eel and no. 151/2023/R/eel, ARERA established, for 2023, the procedures for accessing the customer exit compensation mechanism pursuant to Article 20 of the Integrated Provisions Governing Last-Resort Services (TIV). With an appeal filed on May 29, 2023, Servizio Elettrico Nazionale and Enel Italia challenged these provisions before the Lombardy Regional Administrative Court through an appeal with additional evidence to the main proceedings already brought against Resolution no. 208/2022/R/eel.

With regard to the elimination of price safeguards for non-vulnerable residential customers, in July 2023, Enel Energia and Servizio Elettrico Nazionale (together with Enel Italia) appealed the Ministry of the Environment and Energy Security (MASE) Decree 169 of May 18, 2023 before the Lazio Regional Administrative Court, contesting the imposition of the antitrust cap at 30% and the lack of provisions for the reimbursement of the residual costs of Servizio Elettrico Nazionale following the loss of customers. Likewise, in October 2023, the two companies (together with Enel Italia) appealed ARERA Resolution no.

362/2023/R/eel of August 3, 2023, concerning the regulation of the graduated safeguard services for non-vulnerable domestic customers, before the Lombardy Regional Administrative Court, raising the objections already formulated against the MASE ministerial decree.

In addition, with an appeal filed in January 2024, Servizio Elettrico Nazionale (together with Enel Italia) challenged ARERA Resolutions no. 549/2023/R/eel, no. 580/2023/R/eel and no. 600/2023/R/eel completing the regulation referred to in Resolution no. 362/2023/R/eel, again contesting the failure to reimburse the residual costs following the loss of customers.

As part of the bill ratifying Decree Law 181/2023 (the “Energy Decree”), which was approved on January 31, 2024, a provision allowing operators of the enhanced protection service to recover otherwise non-recoverable costs directly attributable to the service incurred since April 1, 2023 has been introduced. ARERA shall issue a resolution to be adopted within 90 days from the date of entry into force of the law ratifying the decree to govern the time limits and methods for submitting the report necessary to certify the aforementioned costs.

Electricity

With Resolution no. 146/2022/R/eel, ARERA updated, with effect from April 1, 2022, the rate component covering the marketing costs of the operators of the enhanced protection service (RCV). The resolution also updates the levels of the fee for covering electricity marketing costs (PCV), which represents the reference price for sellers on the free market. With Resolution no. 136/2023/R/eel, ARERA updated, with effect from April 1, 2023, the RCV component and the related PCV compensation solely for residential customers enrolled in the enhanced protection service. With Resolution no. 600/2023/R/eel, ARERA provided for the update of the RCV by March 2024 to take account of adjustments to the WACC of infrastructure services. The RCV and PCV for vulnerable customers who will be served by the enhanced safeguard operator will be determined by the end of June 2024.

The TIV envisages specific equalization mechanisms for operators of the enhanced protection service, such as a mechanism that makes it possible to regulate any imbalances in the costs incurred by the operator for the supply of electricity.

To cover the deficit generated by the extraordinary increase in energy provisioning costs in 2022, ARERA Resolution no. 463/2022/R/eel also provided that, by the end of 2022, the Energy and Environmental Services Fund would disburse an advance on 2022 equalization balances to RCV operators. Resolutions no. 558/2022/R/eel, no. 743/2022/R/eel and no. 135/2023/R/eel contain the nec-

essary implementing measures concerning the calculation and settlement of that advance and its subsequent restitution in 2023.

With regard to settlement mechanisms for end users in arrears in the electricity sector, in Article 18 of the TIV for 2023 the Authority governs the compensation mechanism for the amounts not collected by operators of the enhanced protection service in respect of fraudulent withdrawals of power.

With Resolution no. 32/2021/R/eel, the Authority established a mechanism to reimburse arrears relating to the general system charges paid by the sales companies on the free and safeguard markets to distribution companies but not collected from end users (for the safeguard market, this only applies to customers that can be disconnected).

For customers who cannot be disconnected on the safeguard market, the mechanism for reimbursing non-recoverable charges is governed by Article 50 of the TIV for 2023.

Gas

With Resolution no.147/2022/R/gas the levels of the QVD component were updated with effect from April 1, 2022. The levels were subsequently updated, with effect from April 1, 2023, with Resolution no. 137/2023/R/gas. They have been determined so as to take account of the effects associated with the duration – less than a year – of the period remaining at the end of the termination of the protection service, which is expected to start from January 2024. This component, to be applied as from January 2024 to vulnerable customers, will be subsequently updated (for at least the first year of application) with similar but simplified criteria compared with the current system by the end of March of each year for the following 12 months, pending the acquisition of detailed data on the cost of sales associated with vulnerable customers.

With regard to reimbursement mechanisms for end users in arrears in the gas sector, in Articles 31-*quinquies* and 37.1 letter b) of the TIVG (Integrated Retail Gas Sales Code), ARERA regulates specific mechanisms for the reimbursement of arrears for providers of the last resort service and the default service on distribution grids.

Iberia

Energy efficiency

Law 18/2014 of October 15 containing urgent measures for growth, competitiveness and efficiency created the National Energy Efficiency Fund to achieve energy efficiency objectives.

On March 30, 2023, Order TED/296/2023 of March 27 was published, establishing the contribution to the National

Energy Efficiency Fund for 2023, amounting to €49 million for Endesa.

Endesa is expected to provide a contribution to the National Energy Efficiency Fund in the amount of €99 million in 2024, of which it must contribute at least €35 million (35.0% of the amount). It can satisfy the rest of its obligation by submitting energy efficiency certificates (EEC).

Consumer protection measures: *Bono Social*

Following the publication of Royal Decree Law 8/2023 of December 27, in Spain's Official Journal, adopting measures for the economic and social consequences of the wars in Ukraine and the Middle East, and to alleviate the impact of drought, several measures to protect vulnerable consumers already extended by Royal Decree Law 20/2022 of December 27 were further extended until June 30, 2024, including:

- the increase in the discounts of the electricity social bonus from 25% to 65% for vulnerable consumers, and from 40% to 80% for severely vulnerable consumers;
- a discount of 40% for the same period, for working households covered by the voluntary price for small consumers (PVPC) with income between 1.5 and 2 times the Public Index of Multiple Purpose Income (IP-REM), increased by 0.3 for each additional adult member and 0.5 for each additional minor member.

On January 21, 2023, the Order TED/81/2023 of January 27 was published, approving the distribution of the amounts to be financed for the *Bono Social* allowance for 2023. The order establishes the different unit values that must be paid by those obliged to finance these costs.

Consumer protection measures: guarantee of electricity services

Royal Decree Law 8/2023 of December 28, further extends the prohibition of suspending electricity, water and gas supplies to vulnerable consumers, severely vulnerable consumers and customers at risk of social exclusion until June 30, 2024. The Minimum Viable Supply regime will then come into force, whereby a vulnerable customer cannot be excluded for non-payment during the four-month payment period and an additional six-month grace period.

Consumer protection measures: tax measures

Royal Decree Law 8/2023 of December 28, has changed tax rates: it increases VAT from 5% to 10% for all of 2024 for consumers whose contracted power supply is less than or equal to 10 kW (if the average daily market price of the previous month is less than €45/MWh, the "normal" VAT of 21% is applied) or who are beneficiaries of the *Bono Social* as severely vulnerable consumers.

Likewise, the special tax on electricity will rise from the previous 0.5% to 2.5% in the 1st Quarter of 2024, and 3.8% in the 2nd Quarter of 2024. As for the tax on the value of electricity production, which is 7% but has been

suspended, a rate of 3.5% will apply in the 1st Quarter of 2024, 5.25% in the 2nd Quarter of 2024 and 7% thereafter. The electricity system will be compensated for the decline in receipts within the limit of the amount necessary to achieve balance between revenue and expenditure in respect of those charges.

Moreover, the VAT rate applicable to deliveries, imports and intra-community purchases of natural gas rises from 5% to 10% until March 31, 2024.

Consumer protection measures: reduction of volatility of voluntary price for small consumers (PVPC)

On June 14, 2023 Royal Decree 446/2023 of June 31 was published. It modifies, with effect as from January 1, 2024, Royal Decree 216/2014 of March 28, regarding the calculation method for determining the voluntary price for small consumers (PVPC), the salient aspects which are as follows:

- PVPC will apply to residential consumers and micro-enterprises with a contracted power supply equal to or less than 10 kW;
- the cost of energy will be partially indexed to the forward markets, incorporating a basket of forward products on the OMIP, which will be phased in gradually at a weight of 25% in 2024, 40% in 2025 and 55% from 2026. The remaining portion will be determined by the spot price. The forward market portion will be divided between the monthly (10%), quarterly (36%) and annual (54%) products;
- the reference supplier will be reimbursed, as a component of the PVPC, the cost of financing the *Bono Social* scheme established annually in the corresponding order, together with an additional payment for the recovery of amounts incurred under Royal Decree Law 6/2022 of March 29.

This royal decree also modifies certain regulatory aspects of generation in non-peninsular territories.

Consumer protection measures: electricity-intensive customers

Royal Decree 444/2023 of June 13, published on June 14, 2023, amends the Charter of Electricity-Intensive Consumers approved in 2020. The amendment expands the catalogue of eligible activities and reduces certain re-

quirements, thereby expanding the number of beneficiaries. It also updates the maximum amount of aid to offset the cost associated with the specific remuneration regime for renewable energy and the cost of non-mainland electricity systems included in charges, from 85% for all activities to: 85% for sectors at significant risk; 75% for sectors at risk (and up to 85% if they can demonstrate that 50% of consumption comes from fossil fuel sources and have entered into forward contracts for 10% of consumption or 5% of consumption with self-consumption from renewable sources); or a higher percentage for especially vulnerable plants (i.e., when the cost of electricity exceeds certain gross value added thresholds). However, in no case may charges borne by beneficiaries be less than or equal to €0.5/MWh.

Rest of the World

Latin America

Free market

In all countries, distribution companies can supply electricity to their customers on a regulated basis, but may also do so under free-market conditions if customers exceed particular limits. The limits of the free market by country are as follows:

Country	kW
Argentina	>30 kW
Brazil	>1,000 kW or >500 kW ⁽¹⁾
Colombia	>100 kW or 55 MWh-month
Costa Rica	Not applicable ⁽²⁾
Guatemala	>100 kW
Panama	>100 kW
Peru	>200 kW ⁽³⁾
Chile	>500 kW

- (1) The >500 kW limit applies if the electricity consumed is generated using renewable resources, which are subsidized by the government.
- (2) In Costa Rica the only electricity purchaser is ICE, accordingly, the concept of free-market customer does not exist.
- (3) DS 018-2016-EM established that:
 - the demand of customers who can choose between the regulated market and the free market (those with a capacity between 200 and 2,500 kW) is measured for each supply point;
 - customers whose capacity per supply point is greater than 2,500 kW are free-market customers.



REPORT ON OPERATIONS

5. OUTLOOK

○ **Enel is the world's largest privately owned electricity distribution company**

Enel will accelerate its investment in the development, digitalization and resilience of the distribution grid, an indispensable enabler of the energy transition.

○ **Enel is the world's largest private renewable energy operator**

Enel will continue to invest in the development of new renewables capacity, adopting a business model aligned with the climate objectives of the Paris Agreement.

○ **Enel manages the largest customer base among private companies**

The electrification of energy consumption will enable Enel to create value for itself and for its customers, who are the focus of the Group's strategy.

○ **A simple and attractive dividend policy**

Enel's dividend policy is based on a fixed minimum dividend throughout the plan period, while retaining the possibility of increasing the dividend if cash neutrality is achieved.

OUTLOOK

In November 2023, the Group presented its new Strategic Plan for 2024–2026, based on three pillars:

- profitability, flexibility and resilience through selective capital allocation, aimed at optimizing the Enel Group's risk/return profile;
- effectiveness and efficiency as drivers of the Group's operations, based on process simplification, a leaner organization focused on core geographies, and streamlined costs;
- financial and environmental sustainability to pursue value creation in addressing the challenges of climate change.

For the three-year period 2024–2026, the Group mapped out a total gross investment plan of €35.8 billion:

- around €18.6 billion in Grids, focusing on improving quality, resilience and digitalization, and encouraging new connections;
- around €12.1 billion in Renewables, particularly on on-shore wind, solar and battery storage, also leveraging on practices as repowering plants;
- around €3 billion in Customer experience, with an active management of the customer base through multi-play bundled offers, including goods and services in an integrated portfolio available through a single touchpoint for the customer.

As a result of the strategic actions described above, the Enel Group's ordinary EBITDA is expected to increase to between €23.6 billion and €24.3 billion in 2026, while Group net ordinary income is expected to increase to between €7.1 billion and €7.3 billion.

Dividend policy provides for a minimum fixed dividend per share (DPS) of €0.43 for the 2024–2026 period, with a potential increase up to a 70% payout on net ordinary income if cash neutrality is achieved.

The following are planned for 2024:

- investment in distribution grids focusing on geographical areas that have fair and transparent regulatory frameworks in place, in particular in Italy;
- selective investment in renewables, aimed at maximizing the return on capital employed and minimizing risks;
- active management of the customer base through bundled multi-play offers.

In view of the foregoing, the financial targets on which the Group's 2024–2026 Plan is based are reported below.

Financial targets

	2023	2024	2026
Profit growth			
Ordinary EBITDA (€ billions)	22.0	22.1–22.8	23.6–24.3
Ordinary profit (€ billions)	6.5	6.6–6.8	7.1–7.3
Value creation			
Dividend per share (€/share)	0.43	0.43 ⁽¹⁾	0.43 ⁽¹⁾
		Increase in DPS up to a payout of 70% ordinary profit if cash neutrality is achieved ⁽²⁾	

(1) Minimum DPS

(2) Cash neutrality is achieved if funds from operations (FFO) fully cover Group net investment plus dividends in excess of the fixed minimum dividend.

OTHER INFORMATION

Non-EU subsidiaries

At the date of approval by the Board of Directors of the financial statements of Enel SpA for 2023 – March 21, 2024 – the Enel Group meets the “conditions for the listing of shares of companies with control over companies established and regulated under the law of non-EU countries” (hereinafter “non-EU subsidiaries”) established by CONSOB with Article 15 of the Markets Regulation (approved with Resolution no. 20249 of December 28, 2017).

Specifically, we report that:

- in application of the materiality criteria for the purposes of consolidation referred to in Article 15, paragraph 2, of the CONSOB Markets Regulation, 49 non-EU subsidiaries of the Enel Group have been identified to which the rules in question apply on the basis of the consolidated accounts of the Enel Group at December 31, 2022;
- they are: 1) 25 Mile Creek Windfarm LLC (a United States company belonging to Enel North America Inc.); 2) 25RoseFarms Holdings LLC (a United States company belonging to Enel North America Inc.); 3) Alta Farms Azure Ranchland Holdings LLC (a United States company belonging to Enel North America Inc.); 4) Alta Farms Wind Project II LLC (a United States company belonging to Enel North America Inc.); 5) Ampla Energia e Serviços SA (a Brazilian company belonging to Enel Américas SA); 6) Aurora Wind Project LLC (a United States company belonging to Enel North America Inc.); 7) Azure Blue Jay Holdings LLC (a United States company belonging to Enel North America Inc.); 8) Azure Sky Wind Project LLC (a United States company belonging to Enel North America Inc.); 9) Blue Jay Solar I LLC (a United States company belonging to Enel North America Inc.); 10) Cimarron Bend Wind Holdings I LLC (a United States company belonging to Enel North America Inc.); 11) Companhia Energética do Ceará – Coelce (a Brazilian company belonging to Enel Américas SA); 12) Eletropaulo Metropolitana Eletricidade de São Paulo SA (a Brazilian company belonging to Enel Américas SA); 13) Empresa Distribuidora Sur SA – Edesur (an Argentine company belonging to Enel Américas SA); 14) Empresa Eléctrica Pehuenche SA (a Chilean company belonging to Enel Chile SA); 15) Enel Américas SA (a Chilean subsidiary of Enel SpA); 16) Enel Argentina SA (an Argentine company belonging to Enel Américas SA); 17) Enel Brasil SA (a Brazilian company belonging to Enel Américas SA); 18) Enel Chile SA (a Chilean subsidiary of Enel SpA);

19) Enel Colombia SA ESP (formerly Emgesa SA ESP, a Colombian company belonging to Enel Américas SA); 20) Enel Distribución Chile SA (a Chilean company belonging to Enel Chile SA); 21) Enel Distribución Perú SAA (a Peruvian company belonging to Enel Américas SA); 22) Enel Finance America LLC (a United States company belonging to Enel North America Inc.); 23) Enel Fortuna SA (a Panamanian company belonging to Enel Américas SA); 24) Enel Generación Chile SA (a Chilean company belonging to Enel Chile SA); 25) Enel Generación Perú SAA (a Peruvian company belonging to Enel Américas SA); 26) Enel Green Power Canada Inc. (a Canadian company belonging to Enel North America Inc.); 27) Enel Green Power Chile SA (a Chilean company belonging to Enel Chile SA); 28) Enel Green Power Diamond Vista Wind Project LLC (a United States company belonging to Enel North America Inc.); 29) Enel Green Power México S de RL de Cv (a Mexican company belonging to Enel Green Power SpA); 30) Enel Green Power North America Inc. (a United States company belonging to Enel North America Inc.); 31) Enel Green Power Perú SAC (a Peruvian company merged into Enel Generación Perú SAA on August 1, 2023); 32) Enel Green Power Rattlesnake Creek Wind Project LLC (a United States company belonging to Enel North America Inc.); 33) Enel Green Power Roseland Solar LLC (a United States company belonging to Enel North America Inc.); 34) Enel Green Power South Africa (Pty) Ltd (a South African company belonging to Enel Green Power SpA); 35) Enel Kansas LLC (a United States company belonging to Enel North America Inc.); 36) Enel North America Inc. (a US subsidiary of Enel SpA); 37) Enel Perú SAC (a Peruvian company belonging to Enel Américas SA); 38) Enel Rinnovabile SA de Cv (a Mexican company belonging to Enel Green Power SpA); 39) Enel Trading North America LLC (a United States company belonging to Enel North America Inc.); 40) Enel X North America Inc. (a United States company belonging to Enel North America Inc.); 41) Geotérmica del Norte SA (a Chilean company belonging to Enel Chile SA); 42) High Lonesome Wind Power LLC (a United States company belonging to Enel North America Inc.); 43) Red Dirt Wind Project LLC (a United States company belonging to Enel North America Inc.); 44) Renovables de Guatemala SA (a Guatemala company belonging to Enel Américas SA); 45) Rock Creek Wind Project LLC (a United States company belonging to Enel

- North America Inc.); 46) Seven Cowboy Wind Project LLC (a United States company belonging to Enel North America Inc.); 47) Thunder Ranch Wind Project LLC (a United States company belonging to Enel North America Inc.); 48) Tradewind Energy Inc. (a United States company belonging to Enel North America Inc.); 49) White Cloud Wind Project LLC (a United States company belonging to Enel North America Inc.);
- the balance sheet and income statement of the above companies included in the reporting package used for the purpose of preparing the 2023 consolidated financial statements of the Enel Group will be made available to the public by Enel SpA (pursuant to Article 15, paragraph 1A) of the Markets Regulation) at least 15 days prior to the day scheduled for the Ordinary Shareholders' Meeting called to approve the 2023 financial statements of Enel SpA together with the summary statements showing the essential data of the latest annual financial statements of subsidiaries and associated companies (pursuant to the applicable provisions of Article 77, paragraph 2-bis, of the CONSOB Issuers

Regulation approved with Resolution no. 11971 of May 14, 1999);

- the articles of association and composition and powers of the control bodies from all the above subsidiaries have been obtained by Enel SpA and are available in updated form to CONSOB where the latter should request such information for supervisory purposes (pursuant to Article 15, paragraph 1B) of the Markets Regulation);
- Enel SpA has verified that the above subsidiaries:
 - provide the auditor of the Parent, Enel SpA, with information necessary to perform annual and interim audits of Enel SpA (pursuant to Article 15, paragraph 1 (letter C-i) of the Markets Regulation);
 - use an administrative and accounting system appropriate for regular reporting to the management and auditor of the Parent, Enel SpA, of income statement, balance sheet and financial data necessary for preparation of the consolidated financial statements (pursuant to Article 15, paragraph 1 (letter C-ii) of the Markets Regulation).

Disclosures on financial instruments

The disclosures on financial instruments required by Article 2428, paragraph 2, no. 6-*bis* of the Italian Civil Code are reported in the following notes to the consolidated financial statements: 48 "Financial instruments by cate-

gory", 49 "Risk management", 51 "Derivatives and hedge accounting" and 52 "Assets and liabilities measured at fair value".

Atypical or unusual operations

Pursuant to the CONSOB Notice of July 28, 2006, the Group did not carry out any atypical or unusual operations in 2023.

Such operations include transactions whose significance, size, nature of the counterparties, subject matter, method

for calculating the transfer price or timing could give rise to doubts concerning the propriety and/or completeness of disclosure, conflicts of interest, preservation of company assets or protection of non-controlling shareholders.

Subsequent events

Significant events following the close of the year are discussed in note 60 "Events after the reporting period" of the consolidated financial statements.

Transactions with related parties

For more information on transactions with related parties, please see note 54 "Related parties" of the consolidated financial statements.

Reconciliation of equity and profit of Enel SpA and the corresponding consolidated figures

Pursuant to CONSOB Notice no. DEM/6064293 of July 28, 2006, the following table provides a reconciliation of Group

profit for the year and equity with the corresponding figures for the Parent.

Millions of euro	Income statement	Equity	Income statement	Equity
	at Dec. 31, 2023		at Dec. 31, 2022	
Separate financial statements – Enel SpA	3,032	37,883	7,157	38,342
Carrying amount of and impairment losses on consolidated equity investments	608	(104,457)	1,828	(104,604)
Equity and profit (calculated using the same accounting policies) of the consolidated companies and groups and those accounted for using the equity method, net of non-controlling interests ⁽¹⁾	6,299	90,392	4,616	88,500
Translation reserve	-	(5,289)	-	(5,912)
Goodwill	(126)	13,042	-	13,742
Intercompany dividends	(5,968)	-	(9,807)	-
Elimination of unrealized intercompany profits, net of tax effects and other minor adjustments	(407)	184	(2,112)	(1,413)
OWNERS OF THE PARENT⁽¹⁾	3,438	31,755	1,682	28,655
NON-CONTROLLING INTERESTS	829	13,354	1,238	13,425
CONSOLIDATED FINANCIAL STATEMENTS⁽¹⁾	4,267	45,109	2,920	42,080

(1) Figures at December 31, 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".



CONSOLIDATED FINANCIAL STATEMENTS

6. CONSOLIDATED FINANCIAL STATEMENTS

○ **Improvement of cash flows from operating activities**

Management actions made it possible to significantly improve the generation of cash flows from operating activities, equal to about €14.6 billion, an increase of about €6.0 billion compared with 2022 (about +69.0%).

○ **Revenues at €95,565 million (€140,517 million in 2022, -32%)**

The change is mainly attributable to lower average sales prices in an environment characterized by the progressive normalization of the energy sector compared with 2022, as well as to changes in the consolidation scope.

○ **Climate change**

All Group evaluation processes take account of the long-term impacts of climate change.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Income Statement

Millions of euro	Notes	2023		2022	
		of which with related parties		of which with related parties	
Revenue					
Revenue from sales and services	11.a	92,882	7,260	135,653	12,939
Other income	11.b	2,683	18	4,864	389
	[Subtotal]	95,565		140,517	
Costs					
Electricity, gas and fuel	12.a	46,270	11,578	96,896	27,880
Services and other materials	12.b	18,304	3,351	20,228	3,800
Personnel expenses	12.c	5,030		4,570	
Net impairment/(reversals) on trade receivables and other receivables	12.d	1,334		1,278	
Depreciation, amortization and other impairment losses	12.e	8,089		7,447	
Other operating costs	12.f	6,125	620	4,685	581
Capitalized costs	12.g	(3,385)		(3,415)	
	[Subtotal]	81,767		131,689	
Net results from commodity contracts	13	(2,966)	(7)	2,365	50
Operating profit		10,832		11,193	
Financial income from derivatives	14	1,558		3,118	
Other financial income	15	2,916	239	3,430	154
Financial expense from derivatives	14	2,167		3,414	
Other financial expense	15	5,966	89	5,880	34
Net income from hyperinflation	15	284		290	
Share of profit/(loss) of equity-accounted investments ⁽¹⁾	16	(41)		(60)	
Pre-tax profit⁽¹⁾		7,416		8,677	
Income taxes	17	2,778		3,523	
Profit/(Loss) from continuing operations⁽¹⁾		4,638		5,154	
Attributable to owners of the Parent ⁽¹⁾		3,813		3,573	
Attributable to non-controlling interests		825		1,581	
Profit/(Loss) from discontinued operations⁽¹⁾	7	(371)		(2,234)	
Attributable to owners of the Parent ⁽¹⁾		(375)		(1,891)	
Attributable to non-controlling interests		4		(343)	
Profit/(Loss) for the year (owners of the Parent and non-controlling interests)		4,267		2,920	
Attributable to owners of the Parent		3,438		1,682	
Attributable to non-controlling interests		829		1,238	
Earnings per share	18				
Basic earnings per share	18				
Basic earnings per share		0.32		0.15	
Basic earnings/(loss) per share from continuing operations ⁽¹⁾		0.36		0.34	
Basic earnings/(loss) per share from discontinued operations ⁽¹⁾		(0.04)		(0.19)	
Diluted earnings per share	18				
Diluted earnings per share		0.32		0.15	
Diluted earnings/(loss) per share from continuing operations ⁽¹⁾		0.36		0.34	
Diluted earnings/(loss) per share from discontinued operations ⁽¹⁾		(0.04)		(0.19)	

(1) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

Statement of Consolidated Comprehensive Income

Millions of euro	Notes		
		2023	2022
Profit for the year		4,267	2,920
Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss (net of taxes)			
Effective portion of change in the fair value of cash flow hedges		2,714	(1,677)
Change in the fair value of hedging costs		49	(70)
Share of the other comprehensive expense of equity-accounted investments		98	233
Change in the fair value of financial assets at FVOCI		11	(44)
Change in translation reserve ⁽¹⁾		(523)	959
Cumulative other comprehensive income that may be subsequently reclassified to profit or loss in respect of non-current assets and disposal groups classified as held for sale/discontinued operations ⁽¹⁾		16	(78)
Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes)			
Remeasurement of net liabilities/(assets) for defined benefit plans		(150)	303
Change in the fair value of equity investments in other companies		3	13
Cumulative other comprehensive income that may not be subsequently reclassified to profit or loss in respect of non-current assets and disposal groups classified as held for sale/discontinued operations		(1)	21
Total other comprehensive income/(expense) for the year	<u>37</u>	2,217	(340)
Comprehensive income/(expense) for the year		6,484	2,580
Attributable to:			
- owners of the Parent		5,172	1,658
- non-controlling interests		1,312	922

(1) The figure for 2022 has been adjusted to reflect the classification of the "Change in translation reserve" referring to Rusenergosbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

Statement of Consolidated Financial Position

Millions of euro	Notes		
ASSETS		at Dec. 31, 2023	at Dec. 31, 2022
		of which with related parties	of which with related parties
Non-current assets			
Property, plant and equipment	19	89,801	88,521
Investment property	22	97	94
Intangible assets	23	17,055	17,520
Goodwill	24	13,042	13,742
Deferred tax assets ⁽¹⁾	25	9,218	11,175
Equity-accounted investments	26	1,650	1,281
Non-current financial derivative assets	27	2,383	3,970
Non-current contract assets	28	444	508
Other non-current financial assets	29	8,750	8,359
Other non-current assets	31	2,249	2,486
	<i>[Total]</i>	144,689	147,656
Current assets			
Inventories	33	4,290	4,853
Trade receivables	34	17,773	16,605
Current contract assets	28	212	106
Tax assets		705	561
Current financial derivative assets	27	6,407	14,830
Other current financial assets	30	4,329	13,753
Other current assets	32	4,099	4,314
Cash and cash equivalents	35	6,801	11,041
	<i>[Total]</i>	44,616	66,063
Assets classified as held for sale⁽¹⁾	36	5,919	6,155
TOTAL ASSETS⁽¹⁾		195,224	219,874

(1) Figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

Millions of euro	Notes			
LIABILITIES AND EQUITY		at Dec. 31, 2023		at Dec. 31, 2022
			of which with related parties	of which with related parties
Equity attributable to owners of the Parent				
Share capital		10,167		10,167
Treasury share reserve		(59)		(47)
Other reserves		6,551		2,740
Retained earnings ⁽¹⁾		15,096		15,795
	[Total]	31,755		28,655
Non-controlling interests		13,354		13,425
Total equity⁽¹⁾	<u>37</u>	45,109		42,080
Non-current liabilities				
Long-term borrowings	<u>38</u>	61,085	659	68,191
Employee benefits	<u>39</u>	2,320		2,202
Provisions for risks and charges (non-current portion)	<u>40</u>	6,018		6,055
Deferred tax liabilities ⁽¹⁾	<u>25</u>	8,217		9,794
Non-current financial derivative liabilities	<u>27</u>	3,373	8	5,895
Non-current contract liabilities	<u>28</u>	5,743	18	5,747
Other non-current financial liabilities	<u>41</u>	8		-
Other non-current liabilities	<u>42</u>	4,236		4,246
	[Total]	91,000		102,130
Current liabilities				
Short-term borrowings	<u>38</u>	4,769	3	18,392
Current portion of long-term borrowings	<u>38</u>	9,086	111	2,835
Provisions for risks and charges (current portion)	<u>40</u>	1,294		1,325
Trade payables	<u>44</u>	15,821	2,829	17,641
Income tax liabilities		1,573		1,623
Current financial derivative liabilities	<u>27</u>	6,461	15	16,141
Current contract liabilities	<u>28</u>	2,126	53	1,775
Other current financial liabilities	<u>45</u>	909		853
Other current liabilities	<u>43</u>	14,760	40	11,713
	[Total]	56,799		72,298
Liabilities included in disposal groups classified as held for sale⁽¹⁾	<u>36</u>	2,316		3,366
Total liabilities⁽¹⁾		150,115		177,794
TOTAL LIABILITIES AND EQUITY⁽¹⁾		195,224		219,874

(1) Figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

Statement of Changes in Consolidated Equity (note 37)

Millions of euro	Share capital and reserves attributable to owners of the Parent								
	Share capital	Share premium reserve	Treasury share reserve	Reserve for equity instruments - perpetual hybrid bonds	Legal reserve	Other reserves	Translation reserve	Hedging reserve	Hedging costs reserve
At December 31, 2021	10,167	7,496	(36)	5,567	2,034	2,313	(8,125)	(2,268)	(39)
Application of new accounting policies	-	-	-	-	-	-	-	-	-
At December 31, 2021 restated	10,167	7,496	(36)	5,567	2,034	2,313	(8,125)	(2,268)	(39)
Distribution of dividends	-	-	-	-	-	-	-	-	-
Coupons paid to holders of hybrid bonds	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(14)	-	-	14	-	-	-
Payments of own shares	-	-	3	-	-	(3)	-	-	-
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	8	-	-	-
Equity instruments - hybrid perpetual bonds	-	-	-	-	-	-	-	-	-
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-	-
Change in the consolidation scope	-	-	-	-	-	-	1,365	18	5
Transactions in non-controlling interests	-	-	-	-	-	-	(31)	(10)	5
Comprehensive income for the period	-	-	-	-	-	-	879	(1,293)	(52)
of which:									
- other comprehensive expense	-	-	-	-	-	-	879	(1,293)	(52)
- profit/(loss) for the year	-	-	-	-	-	-	-	-	-
At December 31, 2022 restated	10,167	7,496	(47)	5,567	2,034	2,332	(5,912)	(3,553)	(81)
Distribution of dividends	-	-	-	-	-	-	-	-	-
Coupons paid to holders of hybrid bonds	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(21)	-	-	21	-	-	-
Payments of own shares	-	-	9	-	-	(9)	-	-	-
Reserve for share-based payments (LTI bonus)	-	-	-	-	-	(3)	-	-	-
Equity instruments - hybrid perpetual bonds	-	-	-	986	-	-	-	-	-
Monetary restatement (IAS 29)	-	-	-	-	-	-	-	-	-
Change in the consolidation scope	-	-	-	-	-	-	1,038	49	-
Transactions in non-controlling interests	-	-	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	-	-	(415)	2,111	43
of which:									
- other comprehensive expense	-	-	-	-	-	-	(415)	2,111	43
- profit/(loss) for the year	-	-	-	-	-	-	-	-	-
At December 31, 2023	10,167	7,496	(59)	6,553	2,034	2,341	(5,289)	(1,393)	(38)

Reserve from measurement of financial instruments at FVOCI	Reserve from equity-accounted investments	Actuarial reserve	Reserve from disposal of equity interests without loss of control	Reserve from acquisitions of non-controlling interests	Retained earnings	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
10	(721)	(1,325)	(2,378)	(843)	17,801	29,653	12,689	42,342
-	-	-	-	-	(2)	(2)	-	(2)
10	(721)	(1,325)	(2,378)	(843)	17,799	29,651	12,689	42,340
-	-	-	-	-	(3,963)	(3,963)	(937)	(4,900)
-	-	-	-	-	(123)	(123)	-	(123)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	(14)	(14)	-	(14)
-	-	-	-	-	3	3	-	3
-	-	-	-	-	-	8	-	8
-	-	-	-	-	-	-	-	-
(1)	-	-	-	-	411	410	316	726
-	21	14	4	(30)	-	1,397	56	1,453
-	-	(1)	(16)	(319)	-	(372)	379	7
(31)	224	249	-	-	1,682	1,658	922	2,580
(31)	224	249	-	-	-	(24)	(316)	(340)
-	-	-	-	-	1,682	1,682	1,238	2,920
(22)	(476)	(1,063)	(2,390)	(1,192)	15,795	28,655	13,425	42,080
-	-	-	-	-	(4,215)	(4,215)	(1,177)	(5,392)
-	-	-	-	-	(182)	(182)	-	(182)
14	-	-	-	-	(14)	-	-	-
-	-	-	-	-	(26)	(26)	-	(26)
-	-	-	-	-	9	9	-	9
-	-	-	-	-	-	(3)	-	(3)
-	-	-	-	-	-	986	-	986
-	-	-	-	-	291	291	202	493
-	4	(2)	-	-	-	1,089	(397)	692
-	-	-	-	(21)	-	(21)	(11)	(32)
18	97	(120)	-	-	3,438	5,172	1,312	6,484
18	97	(120)	-	-	-	1,734	483	2,217
-	-	-	-	-	3,438	3,438	829	4,267
10	(375)	(1,185)	(2,390)	(1,213)	15,096	31,755	13,354	45,109

Consolidated Statement of Cash Flows

Millions of euro	Notes		
		2023	2022
		of which with related parties	of which with related parties
Profit for the year		4,267	2,920
Adjustments for:			
Net impairment losses on trade receivables and other financial assets	12.d	1,355	1,288
Depreciation, amortization and other impairment losses	12.e	8,457	8,809
Financial (income)/expense	14-15	3,437	2,499
Net (gains)/losses from equity-accounted investments	16	(17)	(23)
Income taxes		2,807	3,470
Changes in net working capital:		(604)	(3,961)
- inventories	33	435	(2,166)
- trade receivables	34	(2,487)	297
- trade payables	44	(1,165)	19
- other contract assets	28	(107)	15
- other contract liabilities	28	172	10
- other assets/liabilities		2,548	(52)
Accruals to provisions		1,403	803
Utilization of provisions		(1,647)	(1,521)
Interest income and other financial income collected ⁽¹⁾	14-15	2,049	239
Interest expense and other financial expense paid ⁽¹⁾	14-15	(5,657)	(89)
Net (income)/expense from measurement of commodities		1,359	(927)
Income taxes paid	17	(2,958)	(1,934)
Net capital gains		369	(355)
Cash flows from operating activities (A)⁽¹⁾		14,620	8,649
of which: discontinued operations		132	(391)
Investments in property, plant and equipment	19-22	(11,383)	(11,281)
Investments in intangible assets	23	(1,385)	(1,961)
Capital grants received		413	-
Investments in non-current contract assets		(795)	(1,261)
Investments in entities (or business units) less cash and cash equivalents acquired	8	(17)	(1,275)
Disposals of entities (or business units) less cash and cash equivalents sold	8	2,083	2,032
(Increase)/Decrease in other investing activities		474	120
Cash flows used in investing activities (B)		(10,610)	(13,626)
of which: discontinued operations		(442)	(351)
New long-term borrowings	48.3	6,093	22,399
Repayments of borrowings	48.3	(6,006)	(125)
Other changes in net financial debt		(4,072)	(620)
Collections/(Payments) associated with derivatives connected with borrowings ⁽¹⁾		-	-
Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests		(25)	12
Issues/(Redemptions) of hybrid bonds		986	-
Purchase of treasury shares		(20)	(14)
Dividends and interim dividends paid		(5,135)	(4,901)
Coupons paid to holders of hybrid bonds		(182)	(123)
Cash flows from/(used in) financing activities (C)⁽¹⁾		(8,361)	7,394
of which: discontinued operations		(16)	656
Impact of exchange rate fluctuations on cash and cash equivalents (D)		(49)	136
Increase/(Decrease) in cash and cash equivalents (A+B+C+D)		(4,400)	2,553
Cash and cash equivalents at the beginning of the year ⁽²⁾		11,543	8,990
Cash and cash equivalents at the end of the year ⁽³⁾		7,143	11,543

- (1) In order to improve presentation, for comparative purposes only, realized financial income and expense connected solely with borrowings have been reclassified from "Collections/(Payments) associated with derivatives connected with borrowings" in the section on cash flows from financing activities to the items "Interest income and other financial income collected" and "Interest expense and other financial expense paid" included in cash flows from operating activities.
- (2) Of which cash and cash equivalents equal to €11,041 million at January 1, 2023 (€8,315 million at January 1, 2022), short-term securities equal to €78 million at January 1, 2023 (€88 million at January 1, 2022), cash and cash equivalents pertaining to "Assets classified as held for sale" in the amount of €98 million at January 1, 2023 (€44 million at January 1, 2022) and cash and cash equivalents pertaining to "Discontinued operations" equal to €326 million at January 1, 2023 (€543 million at January 1, 2022).
- (3) Of which cash and cash equivalents equal to €6,801 million at December 31, 2023 (€11,041 million at December 31, 2022), short-term securities equal to €81 million at December 31, 2023 (€78 million at December 31, 2022), cash and cash equivalents pertaining to "Assets classified as held for sale" in the amount of €261 million at December 31, 2023 (€98 million at December 31, 2022) and cash and cash equivalents pertaining to "Discontinued operations" equal to €326 million at December 31, 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Basis of presentation

1. Form and content of the consolidated financial statements

Enel SpA has its registered office in Viale Regina Margherita 137, Rome, Italy, and since 1999 has been listed on the Milan stock exchange.

There were no changes in the company name in 2023.

Enel is an energy multinational and is one of the world's leading integrated operators in the electricity and gas industries, with a special focus on Europe and Latin America. The consolidated financial statements of the Group as at and for the year ended December 31, 2023 comprise the financial statements of Enel SpA, its subsidiaries and Group holdings in associates and joint ventures, as well as the Group's share of the assets, liabilities, costs and revenue of joint operations ("the Group").

A list of the subsidiaries, associates, joint operations and joint ventures included in the consolidation scope is attached.

These consolidated financial statements were approved and authorized for publication by the Board of Directors on March 21, 2024.

These consolidated financial statements have been audited by KPMG SpA.

Basis of presentation

The consolidated financial statements as at and for the year ended December 31, 2023 have been prepared in accordance with international accounting standards (International Accounting Standards - IAS and International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board (IASB), the interpretations of the IFRS Interpretations Committee (IFRSIC) and the Standing Interpretations Committee (SIC), recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 and in effect as of the close of the year. All of these standards and interpretations are hereinafter referred to as the "IFRS-EU". The consolidated financial statements have also been prepared in conformity with measures issued in implementation of Article 9, paragraph 3, of Legislative Decree 38 of

February 28, 2005.

The consolidated financial statements consist of the consolidated income statement, the statement of consolidated comprehensive income, the statement of consolidated financial position, the statement of changes in consolidated equity and the consolidated statement of cash flows and the related notes.

The assets and liabilities recognized in the statement of financial position are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities included in disposal groups held for sale. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Group; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Group.

The income statement classifies costs on the basis of their nature, with separate reporting of profit/(loss) from continuing operations and profit/(loss) from discontinued operations attributable to owners of the Parent and to non-controlling interests.

The consolidated cash flow statement is prepared using the indirect method, with separate reporting of any cash flows by operating, investing and financing activities associated with discontinued operations.

In particular, although the Group does not diverge from the provisions of IAS 7 in the classification of items:

- cash flows from operating activities report cash flows from core operations, interest on loans granted and obtained and dividends received from associates or joint ventures;
- investing activities comprise investments in property, plant and equipment and intangible assets and disposals of such assets and contract assets related to service concession arrangements. They include, also, the effects of business combinations in which the Group acquires or loses control of companies, as well as other minor investments;

- cash flows from financing activities include cash flows generated by liability management transactions and leases, dividends and interim dividends paid to owners of the Parent and non-controlling interests and the effects of transactions in non-controlling interests that do not change the status of control of the companies involved;
- a separate item is used to report the impact of exchange rates on cash and cash equivalents and their impact on profit or loss is eliminated in full in order to neutralize the effect on cash flows from operating activities.

For more information on cash flows as reported in the statement of cash flows, please see note 46 “Cash flows”.

The consolidated financial statements have been prepared on a going concern basis using the cost method, with the exception of items measured at fair value in accordance

with IFRS, as explained in the measurement bases applied to each individual item, and of non-current assets and disposal groups classified as held for sale, which are measured at the lower of their carrying amount and fair value less costs to sell.

The consolidated financial statements are presented in euro, the functional currency of the Parent Enel SpA. All figures are shown in millions of euro unless stated otherwise. The consolidated income statement, the statement of financial position and the consolidated statement of cash flows report transactions with related parties, the definition of which is given in note 2.2 “Material accounting policies”. The consolidated financial statements provide comparative information in respect of the previous year.

2. Accounting policies

2.1 Use of estimates and management judgment

Preparing the consolidated financial statements under IFRS-EU requires management to take decisions and make estimates and assumptions that may impact the carrying amount of revenue, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities. The estimates and management’s judgments are based on previous experience and other factors considered reasonable in the circumstances. They are formulated when the carrying amount of assets and liabilities is not easily determined from other sources. The actual results may therefore differ from these estimates. The estimates and assumptions are periodically revised and the effects of any changes are reflected through profit or loss if they only involve that period. If the revision involves both the current and future periods, the change is recognized in the period in which the revision is made and in the related future periods.

In order to enhance understanding of the consolidated financial statements, the following sections examine the main items affected by the use of estimates and the cases that reflect management judgments to a significant degree, underscoring the main assumptions used by management in measuring these items in compliance with the IFRS-EU. The critical element of such valuations is the use of assumptions and professional judgments concerning issues that are by their very nature uncertain. Changes in the conditions underlying the assumptions and judgments could have a substantial impact on future results.

The information included in the consolidated financial statements is selected on the basis of a materiality analysis carried out in accordance with the requirements of

Practice Statement 2 “Making Materiality Judgments”, issued by the International Accounting Standards Board (IASB).

With regard to the effects of climate change issues, the Group believes that climate change represents an implicit element in the application of the methodologies and models used to perform estimates in the valuation and/or measurement of certain accounting items. Furthermore, the Group has also taken account of the impact of climate change in the significant judgments made by management. In this regard, the main items included in the consolidated financial statements at December 31, 2023 affected by management’s use of estimates and judgments refer to the impairment of non-financial assets and obligations connected with the energy transition, including those for decommissioning and site restoration of certain generation plants. For further details on these items, please see note 19 “Property, plant and equipment”, note 24 “Goodwill”, and note 40 “Provisions for risks and charges”.

Use of estimates

Revenue from contracts with customers

Revenue from supply of electricity and gas to end users is recognized at the time the electricity or gas is delivered and includes, in addition to amounts invoiced on the basis of electricity consumption measured through periodic (and pertaining to the year) meter readings or on the volumes notified by distributors and transporters, an estimate of the electricity and gas delivered during the period but not yet invoiced that is equal to the difference between the amount of electricity and gas delivered to the distribution network and that invoiced in the period, taking account of any network losses. Revenue between the date of the

last meter reading and the year-end is based on estimates of the daily consumption of individual customers, primarily determined on their historical information, adjusted to reflect the climate factors or other matters that may affect the estimated consumption.

For more details on such revenue, please see note 11.a "Revenue from sales and services".

Impairment of non-financial assets

When the carrying amount of property, plant and equipment, investment property measured at cost, intangible assets, right-of-use assets, goodwill and investments in associates/joint ventures exceeds its recoverable amount, which is the higher of the fair value less costs to sell and the value in use, the assets are impaired.

Verification of the recoverable amount of such assets is performed in accordance with the provisions of IAS 36, as described in greater detail in note 24 "Goodwill".

In order to determine the recoverable amount, the Group generally adopts the value in use criterion, intended as the present value of the estimated future cash flows generated by the asset, discounted using a pre-tax discount rate that reflects the current market assessment of the time value of money and of the specific risks of the asset.

Future cash flows used to determine value in use are based on the most recent Business Plan, approved by the management, containing forecasts for volumes, revenue, operating costs and investments. These projections cover the next three years. For subsequent years, account is taken of:

- assumptions concerning the long-term evolution of the main variables considered in the calculation of cash flows, as well as the average residual useful life of the assets or the duration of the concessions, based on the specific characteristics of the businesses;
- a long-term growth rate equal to the long-term growth of electricity demand and/or inflation (depending on the country and business) that does not in any case exceed the average long-term growth rate of the market involved.

The recoverable amount is sensitive to the estimates and assumptions used in the calculation of cash flows and the discount rates applied. Nevertheless, possible changes in the underlying assumptions of such amounts could generate different recoverable amounts. The analysis of each group of non-financial assets is unique and requires management to use estimates and assumptions considered prudent and reasonable in the specific circumstances.

In line with its business model and in the context of the energy transition process, the Group has also carefully assessed whether climate change issues have affected the reasonable and supportable assumption used to estimate expected cash flows. In this regard, where necessary, the Group has also taken account of the long-term impact of

climate change, in particular by considering in the estimation of the terminal value a long-term growth rate in line with the change in electricity demand determined using energy models for each country.

Information on the main assumptions used to estimate the recoverable amount of assets with reference to the impacts relating to climate change, as well as information on changes in these assumptions, is provided in note 24 "Goodwill".

Expected credit losses on financial assets

At the end of each reporting period, the Group recognizes a loss allowance for expected credit losses on trade receivables and other financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, contract assets and all other assets in scope.

Loss allowances for financial assets are based on assumptions about risk of default and on the measurement of expected credit losses. Management uses judgment in making these assumptions and selecting the inputs for the impairment calculation, based on the Group's past experience, current market conditions as well as forward-looking estimates at the end of each reporting period.

The expected credit loss (ECL) – determined considering probability of default (PD), loss given default (LGD), and exposure at default (EAD) – is the difference between all contractual cash flows that are due in accordance with the contract and all cash flows that are expected to be received (including all shortfalls) discounted at the original effective interest rate (EIR).

For additional details on the general simplified approach used to determine expected credit losses, please see note 48 "Financial instruments by category".

Based on the specific reference market and the regulatory context of the sector, as well as expectations of recovery after 90 days, for trade receivables, contract assets and lease receivables, the Group mainly applies a default definition of 180 days past due to determine expected credit losses, as this is considered an effective indication of a significant increase in credit risk. Accordingly, financial assets that are more than 90 days past due are generally not considered to be in default, except for some specific regulated markets.

For trade receivables and contract assets the Group mainly applies a collective approach based on grouping them into specific clusters, taking into account the specific regulatory and business context. Only if the trade receivables are deemed to be individually significant by management and there is specific information about any significant increase in credit risk, does the Group apply an analytical approach.

Based on specific management evaluations, the forward-looking adjustment can be applied considering

qualitative and quantitative information in order to reflect possible future events and macroeconomic scenarios, which may affect the risk of the portfolio or the financial instrument.

For additional details on the key assumptions and inputs used, please see note 48 "Financial instruments by category".

Depreciable amount of certain elements of Italian hydroelectric plants subsequent to enactment of Law 134/2012

Italian regulations governing large-scale hydroelectric concessions were significantly modified by the "Simplifications Decree" (Decree Law 135 of 2018, ratified with Law 12 of February 11, 2019). The regulations introduce a number of innovations which, if applied to existing concessions, would require a review of the useful lives of certain investments in hydroelectric plants in order to reflect the possibility that, at the end of the concession, some assets could be transferred free of charge to the new concession holder. However, in estimating the useful lives of these plants, management, with the support of a legal opinion, considered the foreseeable outcome of the appeals promptly lodged by the Group – and others – and the related constitutionality issues, which have also been raised by industrial associations. Consequently, we believe that the legislation raises serious constitutionality issues that will be effectively recognized in the appropriate fora. Accordingly, management deemed it appropriate not to reflect the changes introduced by the regulations and therefore has continued to measure the useful lives of the plants as has been done in previous years under the previous regulatory system, considering this to be the most realistic estimate.

Law 134 of August 7, 2012 containing "urgent measures for growth" (published in the *Gazzetta Ufficiale* of August 11, 2012), introduced a sweeping overhaul of the rules governing hydroelectric concessions. Among its various provisions, the law establishes that five years before the expiration of a major hydroelectric water diversion concession and in cases of lapse, relinquishment or revocation, where there is no prevailing public interest for a different use of the water, incompatible with its use for hydroelectric generation, the competent public entity shall organize a public call for tenders for the award for consideration of the concession for a period ranging from 20 to a maximum of 30 years.

In order to ensure operational continuity, the law also governs the methods of transferring ownership of the business unit necessary to operate the concession, including all legal relationships relating to the concession, from the outgoing concession holder to the new concession holder, in exchange for payment of a price to be determined in negotiations between the departing concession holder

and the grantor agency, taking due account of the following elements:

- for intake and governing works, penstocks and outflow channels, which under the consolidated law governing waters and electrical plants are to be relinquished free of charge (Article 25 of Royal Decree 1775 of December 11, 1933), the revalued cost less government capital grants, also revalued, received by the concession holder for the construction of such works, depreciated for ordinary wear and tear;
- for other property, plant and equipment, the market value, meaning replacement value, reduced by estimated depreciation for ordinary wear and tear.

While acknowledging that the new regulations introduce important changes as to the transfer of ownership of the business unit with regard to the operation of the hydroelectric concession, the practical application of these principles faces difficulties, given the uncertainties that do not permit the formulation of a reliable estimate of the value that can be recovered at the end of existing concessions (residual value).

Accordingly, management has decided it could not produce a reasonable and reliable estimate of residual value. The fact that the legislation requires the new concession holder to make a payment to the departing concession holder prompted management to review the depreciation schedules for assets classified as to be relinquished free of charge prior to Law 134/2012 (until the year ended on December 31, 2011, given that the assets were to be relinquished free of charge, the depreciation period was equal to the closest date between the term of the concession and the end of the useful life of the individual asset), calculating depreciation no longer over the term of the concession but, if longer, over the useful life of the individual assets. If additional information becomes available to enable the calculation of residual value, the carrying amounts of the assets involved will be adjusted prospectively.

Determining the fair value of financial instruments

The fair value of financial instruments is determined on the basis of prices directly observable in the market, where available, or, for unlisted financial instruments, using specific valuation techniques (mainly based on present value) that maximize the use of observable market inputs. In rare circumstances where this is not possible, the inputs are estimated by management taking due account of the characteristics of the instruments being measured.

For more information on financial instruments measured at fair value, please see note 52 "Assets and liabilities measured at fair value".

In accordance with IFRS 13, the Group includes a measurement of credit risk, both of the counterparty (Credit Valuation Adjustment or CVA) and its own (Debit Valuation Adjustment or DVA), in order to adjust the fair value

of financial instruments for the corresponding amount of counterparty risk, using the method discussed in note 52 “Assets and liabilities measured at fair value”.

Changes in the assumptions made in estimating the input data could have an impact on the fair value recognized for those instruments.

Pensions and other post-employment benefits

Some of the Group’s employees participate in pension plans offering benefits based on their wage history and years of service. Certain employees are also eligible for other post-employment benefit schemes.

The expenses and liabilities of such plans are calculated on the basis of estimates carried out by consulting actuaries, who use a combination of statistical and actuarial elements in their calculations, including statistical data on past years and forecasts of future costs. Other components of the estimation that are considered include mortality and retirement rates as well as assumptions concerning future developments in discount rates, the rate of wage increases, the inflation rate and trends in healthcare cost.

These estimates can differ significantly from actual developments owing to changes in economic and market conditions, increases or decreases in retirement rates and the lifespan of participants, as well as changes in the effective cost of healthcare.

Such differences can have a substantial impact on the quantification of pension costs and other related expenses. For more details on the main actuarial assumptions adopted, please see note 39 “Employee benefits”.

Provisions for risks and charges

For more details on provisions for risks and charges, please see note 40 “Provisions for risks and charges”.

Note 57 “Contingent assets and liabilities” also provides information regarding the most significant contingent assets and liabilities for the Group at year end.

Litigation

The Group is involved in various civil, administrative and tax disputes connected with the normal pursuit of its activities that could give rise to significant liabilities. It is not always objectively possible to predict the outcome of these disputes. The assessment of the risks associated with this litigation is based on complex factors whose very nature requires recourse to management judgments, even when taking account of the contribution of external advisors assisting the Group, about whether to classify them as contingent liabilities or liabilities.

Provisions have been recognized to cover all significant liabilities for cases in which legal counsel feels an adverse outcome is likely and a reasonable estimate of the amount of the expense can be made.

Obligations associated with generation plants, including decommissioning and site restoration

Generation activities may entail obligations for the operator with regard to future interventions that will have to be performed following the end of the operating life of the plant. Such interventions may involve the decommissioning of plants and site restoration, or other obligations linked to the type of generation technology involved. The nature of such obligations may also have a major impact on the accounting treatment used for them.

In the case of nuclear power plants, where the costs regard both decommissioning and the storage of waste fuel and other radioactive materials, the estimation of the future cost is a critical process, given that the costs will be incurred over a very long span of time, estimated at up to 100 years.

The obligation, based on financial and engineering assumptions, is calculated by discounting the expected future cash flows that the Group considers it will have to pay to meet the obligations it has assumed.

The discount rate used to determine the present value of the liability is the pre-tax risk-free rate and is based on the economic parameters of the country in which the plant is located. That liability is quantified by management on the basis of the technology existing at the measurement date and is reviewed each year, taking account of developments in storage, decommissioning and site restoration technology, as well as the ongoing evolution of the legislative framework governing health and environmental protection.

Subsequently, the value of the obligation is adjusted to reflect the passage of time and any changes in estimates.

For more information, please see note 40 “Provisions for risks and charges”.

Onerous contracts

In order to identify an onerous contract, the Group estimates the non-discretionary costs necessary to fulfil the obligations assumed (including any penalties) under the contract and the economic benefits that are presumed to be obtained from the contract.

Leases

When the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate (IBR) at the lease commencement date to calculate the present value of the lease payments. This is the interest rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. When no observable inputs are available, the Group estimates the IBR making assumptions to reflect the terms and conditions of the lease and certain lessee-specific estimates.

One of the most significant judgments for the Group is determining this IBR necessary to calculate the present value of the lease payments required to be paid to the lessor. The Group approach to determine an IBR is based on the assessment of the following three key components:

- the risk-free rate, that consider the currency flows of the lease payments, the economic environment where the lease contract has been negotiated and also the lease term;
- the credit spread adjustment, in order to calculate an IBR that is specific for the lessee considering any underlying Parent or other guarantee;
- the lease related adjustments, in order to reflect into the IBR calculation the fact that the discount rate is directly linked to the type of the underlying asset, rather than being a general incremental borrowing rate. In particular, the risk of default is mitigated for the lessors as they have the right to reclaim the underlying asset itself.

For more information on lease liabilities, please see note 48 "Financial instruments by category".

Income tax

Recovery of deferred tax assets

At December 31, 2023, the consolidated financial statements report deferred tax assets in respect of tax losses or tax credits usable in subsequent years and income components whose deductibility is deferred in an amount whose future recovery is considered by management to be highly probable.

The recoverability of such assets is subject to the achievement of future profits sufficient to absorb such tax losses and to use the benefits of the other deferred tax assets.

Significant management judgment is required to assess the probability of recovering deferred tax assets, considering all negative and positive evidence, and to determine the amount that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and the tax rates applicable at the date of reversal. However, where the Group should become aware that it is unable to recover all or part of recognized tax assets in future years, the consequent adjustment would be taken to profit or loss in the year in which this circumstance arises.

The recoverability of deferred tax assets is reviewed at the end of each period. Deferred tax assets not recognized are reassessed at each reporting date in order to verify the conditions for their recognition.

For more details on deferred tax assets recognized or not recognized, please see note 25 "Deferred tax assets and liabilities".

Management judgment

Identification of operating segments

In accordance with the requirements of IFRS 8, the Group's operating segments are represented by the business lines, identified as components:

- that engage in business activities from which they may earn revenue and incur expenses (including revenue and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess their performance; and
- for which discrete financial information is available.

Identification of cash generating units (CGUs)

For impairment testing, if the recoverable amount cannot be determined for an individual asset, the Group identifies the smallest group of assets that generate largely independent cash inflows. The smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets is a CGU. Identifying such CGUs involves management judgments regarding the specific nature of the assets and the business involved (geographical segment, business segment, regulatory framework, etc.). The assets of each CGU are also identified on the basis of the manner in which management manages and monitors those assets, as well as the evidence that the cash inflows of the group of assets are largely independent of those associated with other assets (or groups of assets).

The assets of each CGU are also identified on the basis of the manner in which management manages and monitors those assets. In particular, the number and scope of the CGUs are updated systematically to reflect the impact of new business combinations and reorganizations carried out by the Group.

The CGUs identified by management to which the goodwill recognized in these consolidated financial statements has been allocated are reported in note 24 "Goodwill".

Determining the useful life of non-financial assets

In determining the useful life of property, plant and equipment and intangible assets with a finite useful life, the Group considers not only the future economic benefits – contained in the assets – obtained through their use, but also many other factors, such as physical wear and tear, the technical, commercial or other obsolescence of the product or service produced with the asset, legal or similar limits (e.g., safety, environmental or other restrictions) on the use of the asset, if the useful life of the asset depends on the useful life of other assets.

Furthermore, in estimating the useful lives of the assets

concerned, the Group has taken account of its commitment under the Paris Agreement. For more information, please see note 19 "Property, plant and equipment".

Determination of the existence of control

Under the provisions of IFRS 10, control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is defined as the current ability to direct the relevant activities of the investee based on existing substantive rights.

The existence of control does not depend solely on ownership of a majority investment, but rather it arises from substantive rights that each investor holds over the investee. Consequently, management must use its judgment in assessing whether specific situations determine substantive rights that give the Group the power to direct the relevant activities of the investee in order to affect its returns.

For the purpose of assessing control, management analyzes all facts and circumstances including any agreements with other investors, rights arising from other contractual arrangements and potential voting rights (call options, warrants, put options granted to non-controlling shareholders, etc.). These other facts and circumstances could be especially significant in such assessment when the Group holds less than a majority of voting rights, or similar rights, in the investee.

Following such analysis of the existence of control, in application of IFRS 10 the Group consolidated certain companies on a line-by-line basis even though it did not hold more than half of the voting rights, determining that the requirements for *de facto* control existed.

Furthermore, even if it holds more than half of the voting rights in an entity, the Group considers all the relevant facts and circumstances in assessing whether it controls the investee.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements considered in verifying the existence of control.

Determination of the existence of joint control and of the type of joint arrangement

Under the provisions of IFRS 11, a joint arrangement is an agreement where two or more parties have joint control. Joint control exists only when the decisions over the relevant activities require the unanimous consent of the parties that share joint control.

A joint arrangement can be configured as a joint venture or a joint operation. Joint ventures are joint arrangements whereby the parties that have joint control have rights to the net assets of the arrangement. Conversely, joint op-

erations are joint arrangements whereby the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement.

In order to determine the existence of the joint control and the type of joint arrangement, management must apply judgment and assess its rights and obligations arising from the arrangement. For this purpose, the management considers the structure and legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances.

Following that analysis, the Group has considered its interest in Asociación Nuclear Ascó-Vandellós II as a joint operation.

The Group re-assesses whether or not it has joint control if facts and circumstances indicate that changes have occurred in one or more of the elements considered in verifying the existence of joint control and the type of the joint arrangement.

For more information on the Group's investments in joint ventures, please see note 26 "Equity-accounted investments".

Determination of the existence of significant influence over an associate

Associates are those in which the Group exercises significant influence, i.e. the power to participate in the financial and operating policy decisions of the investee but not exercise control or joint control over those policies. In general, it is presumed that the Group has a significant influence when it has an ownership interest of 20% or more.

In order to determine the existence of significant influence, management must apply judgment and consider all facts and circumstances.

The Group re-assesses whether or not it has significant influence if facts and circumstances indicate that there are changes to one or more of the elements considered in verifying the existence of significant influence.

For more information on the Group's equity investments in associates, please see note 26 "Equity-accounted investments".

Determination of non-current assets (or disposal groups) held for sale and discontinued operations

An asset is classified as "held for sale" when its sale is highly probable.

To determine whether a sale is highly probable, the Group considers whether:

- management is committed to a plan to sell the asset (or disposal group), and an active program to locate a buyer and complete the plan has been initiated;
- the sale should be expected to qualify for recognition as a completed sale within one year from the date of

classification, except where the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset;

- the actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

In addition, an asset (or group of assets) shall be presented as a discontinued operation when it is classified as held for sale and:

- represents a separate major business line or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major business line or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Application of "IFRIC 12 – Service Concession Arrangements" to concessions

The Group, as operator, applies IFRIC 12 to "public-to-private" service concession arrangements, under which a public entity (the grantor) conveys to an operator the right to manage the infrastructure used to provide services.

More specifically, management assesses whether "public-to-private" service concession arrangements are within the scope of IFRIC 12 on the basis of whether:

- the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price; and
- the grantor controls – through ownership, beneficial entitlement or otherwise – any significant residual interest in the infrastructure at the end of the term of the arrangement.

On the basis of that analysis, the provisions of IFRIC 12 are applicable to the service concession arrangements of a number of companies that operate primarily in Brazil.

Further details about service concession arrangements in the scope of IFRIC 12 are provided in note 20 "Infrastructure within the scope of 'IFRIC 12 – Service Concession Arrangements'".

Revenue from contracts with customers

The Group carefully analyzes the contractual terms and conditions on a jurisdictional level in order to determine when a contract exists and the terms of that contract's enforceability so as to apply IFRS 15 only to such contracts.

When a contract includes multiple promised goods or services, in order to assess if they should be accounted for separately or as a group, the Group considers both the individual characteristics of goods/services (i.e. whether they are distinct or are a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer), and the nature of the promise within the context of the contract. To this

end, it is necessary to evaluate all the facts and circumstances relating to the specific contract under the relevant legal and regulatory framework. To evaluate when a performance obligation is satisfied, the Group evaluates when the control of the goods or services is transferred to the customer, assessed primarily from the perspective of the customer.

For each performance obligation, and in relation to the type of transaction:

- revenue is recognized over time on the basis of the progress towards complete satisfaction of the performance obligation, as in the case of the provision of services. The measurement of progress towards complete satisfaction of a performance obligation is carried out consistently for performance obligations and similar circumstances using an "output" or "input" method. In particular, the cost incurred method (cost-to-cost method) is considered appropriate for measuring progress except when a specific analysis of the contract counsels the use of an alternative method. If it should prove impossible to reasonably assess progress towards satisfaction of the performance obligation, the Group recognizes revenue only to the extent of the incurred costs that are considered recoverable;
- if, on the other hand, the performance obligation is satisfied at a given moment, as in the case of the supply of goods, revenue is recognized at the point in time in which the customer obtains the control of the goods, considering all relevant indicators.

The Group considers all relevant facts and circumstances in determining whether a contract includes variable consideration (i.e. consideration that may vary or depends upon the occurrence or non-occurrence of a future event). In estimating variable consideration, the Group uses the method that better predicts the consideration to which it will be entitled, applying it consistently throughout the contract and for similar contracts, also considering all available information, and updating such estimates until the uncertainty is resolved. The Group includes the estimated variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal in the cumulative revenue recognized will not occur when the uncertainty is resolved.

The Group considers that it is an agent in some contracts in which it is not primarily responsible for fulfilling the contract and therefore it does not control goods or services before they are being transferred to customers. For example, the Group acts as an agent in some contracts for electricity/gas network connection services and other related activities depending on local legal and regulatory framework.

For contracts that have more than one performance obligation (e.g., “bundled” sale contracts), the Group generally allocates the transaction price to each performance obligation in proportion to its stand-alone selling price. The Group determines stand-alone selling prices considering all information and using observable prices when they are available in the market or, if not, using an estimation method that maximizes the use of observable inputs and applying it consistently to similar arrangements.

If the Group evaluates that a contract includes an option for additional goods or services (e.g., customer loyalty programs or renewal options) that represents a material right, it allocates the transaction price to this option since the option gives rise to an additional performance obligation.

The Group assesses recoverability of the incremental costs of obtaining a contract either on a contract-by-contract basis, or for a group of contracts if those costs are associated with the group of contracts.

The Group supports the recoverability of such costs on the basis of its experience with other similar transactions and evaluating various factors, including potential renewals, amendments and follow-on contracts with the same customer.

The Group amortizes such costs over the average customer term. In order to determine this expected period of benefit from the contract, the Group considers its past experience (e.g., “churn rate”), the predictive evidence from similar contracts and available information about the market.

Power Purchase Agreements

Power Purchase Agreements (PPAs), which provide for the physical delivery of energy and which do not comply with the requirements of IFRS 10 for the existence of control or joint control over a company or an asset, and IFRS 16 for the recognition of a lease, but which comply with the definition of a derivative under IFRS 9, are accounted for on the basis of the own use exemption when the relevant conditions are met.

For more information on Virtual PPAs complying with the definition of derivative pursuant to IFRS 9, please see note 51 “Derivatives and hedge accounting”.

Classification and measurement of financial assets

At initial recognition, in order to classify financial assets as financial assets at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss, management assesses both the contractual cash flow characteristics of the instrument and the business model for managing financial assets in order to generate cash flows.

In order to evaluate the contractual cash flow characteristics of the instrument, management performs the SPPI test at an instrument level, in order to determine if it gives rise to

cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, performing specific assessment on the contractual clauses of the financial instruments, as well as quantitative analysis, if required.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

For more details, please see note 48 “Financial instruments by category”.

Hedge accounting

Hedge accounting is applied to derivatives in order to reflect into the financial statements the effect of the Group’s risk management strategies.

Accordingly, at the inception of the transaction the Group documents the hedge relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy. The Group also assesses, both at hedge inception and on an ongoing basis, whether hedging instruments are highly effective in offsetting changes in the fair values or cash flows of hedged items.

On the basis of management’s judgment, the effectiveness assessment based on the existence of an economic relationship between the hedging instruments and the hedged items, the dominance of credit risk in the changes in fair value and the hedge ratio, as well as the measurement of the ineffectiveness, is evaluated through a qualitative assessment or a quantitative computation, depending on the specific facts and circumstances and on the characteristics of the hedged items and the hedging instruments.

For cash flow hedges of forecast transactions designated as hedged items, management assesses and documents that they are highly probable and present an exposure to changes in cash flows that affect profit or loss.

For additional details on the key assumptions about effectiveness assessment and ineffectiveness measurement, please see note 51.1 “Derivatives designated as hedging instruments”.

Leases

The complexity of the assessment of the lease contracts, and also their long-term expiring date, requires considerable professional judgments for application of IFRS 16. In particular, this regards:

- the application of the definition of a lease to the cases typical of the sectors in which the Group operates;
- the identification of the non-lease component into the lease arrangements;
- the evaluation of any renewable and termination options included in the lease in order to determine the term of leases, also considering the probability of their exercise and any significant leasehold improvements on

the underlying asset;

- the identification of any variable lease payments that depend on an index or a rate to determine whether the changes of the latter impact the future lease payments and also the amount of the right-of-use asset;
- the estimate of the discount rate to calculate the present value of the lease payments; further details on assumptions about this rate are provided in the paragraph "Use of estimates".

For more information on leases, please see note 21 "Leases".

Uncertainty over income tax treatments

The Group determines whether to consider each uncertain income tax treatment separately or together with one or more other uncertain tax treatments as well as whether to reflect the effect of uncertainty by using the most likely amount or the expected value method, based on which approach better predicts the resolution of the uncertainty for each uncertain tax treatments, taking account of local tax regulations.

The Group makes significant use of professional judgment in identifying uncertainties about income tax treatments and reviews the judgments and estimates made in the event of a change in facts and circumstances that could change its assessment of the acceptability of a specific tax treatment or the estimate of the effects of uncertainty, or both.

For more information on income taxes, please see note 17 "Income taxes".

2.2 Material accounting policies

Related parties

Pursuant to IAS 24, related parties are mainly those that share the same controlling entity with Enel SpA, the companies that directly or indirectly are controlled by Enel SpA, the associates or joint ventures (including their subsidiaries) of Enel SpA, or the associates or joint ventures (including their subsidiaries) of any Group company. Related parties also include entities that operate post-employment benefit plans for employees of Enel SpA or its associates (specifically, the FOPEN and FONDENEL pension funds), as well as the members of the boards of statutory auditors, and their immediate family, and the key management personnel, and their immediate family, of Enel SpA and its subsidiaries. Key management personnel comprise management personnel who have the power and direct or indirect responsibility for the planning, management and control of the activities of the Company. They include directors (whether executive or not).

Subsidiaries

Pursuant to IFRS 10, subsidiaries are all entities over which the Group has control. For more information on the definition of control, please see section "Determination of the existence of control" in note 2.1 "Use of estimates and management judgment".

The financial statements of subsidiaries used to prepare the consolidated financial statements were prepared at December 31, 2023 in accordance with the accounting policies adopted by the Group.

If a subsidiary uses different accounting policies from those adopted in preparing the consolidated financial statements for similar transactions and facts in similar circumstances, appropriate adjustments are made to ensure conformity with Group accounting policies.

The figures of the subsidiaries are consolidated on a full line-by-line basis as from the date control is acquired until such control ceases.

Profit or loss for the year and the other comprehensive income are attributed to owners of the Parent and non-controlling interests, even if this results in a loss for non-controlling interests.

All intercompany assets and liabilities, equity item, revenue, expenses and cash flows relating to transactions between entities of the Group are eliminated in full.

Changes in ownership interest in subsidiaries that do not result in loss of control are accounted for as equity transactions, with the carrying amounts of the controlling and non-controlling interests adjusted to reflect changes in their interests in the subsidiary. Any difference between the amount to which non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized in consolidated equity.

When the Group ceases to have control over a subsidiary, any interest retained in the entity is remeasured to its fair value, recognized through profit or loss, at the date when control is lost, recognizing any gain or loss from the loss of control through profit or loss. In addition, any amounts previously recognized in other comprehensive income in respect of the former subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities.

Investments in associates and joint ventures

In the consolidated financial statements, investments in associated companies and joint arrangements are measured in accordance with the requirements established by "IAS 28 – Investments in Associates and Joint Ventures" and "IFRS 11 – Joint Arrangements".

In this respect, an associate is an entity over which the Group has significant influence, while a joint venture is a joint arrangement over which the Group exercises joint control and has rights to the net assets of the arrangement.

The Group's investments in associates and joint ventures are accounted for using the equity method, under which these investments are initially recognized at cost and any goodwill arising from the difference between the cost of the investment and the Group's share of the net fair value of the investee's identifiable assets and liabilities at the acquisition date is included in the carrying amount of the investment.

After the acquisition date, their carrying amount is adjusted to recognize changes in the Group's share of profit or loss of the associate or joint venture in Group profit or loss. Adjustments to the carrying amount may also be necessary following changes in the Group's share in the associate or joint venture as a result of changes in the other comprehensive income of the investee. The Group's share of these changes is recognized in the Group's other comprehensive income.

Distributions received from joint ventures and associates reduce the carrying amount of the investments.

Gains and losses resulting from transactions between the Group and the associates or joint ventures are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associates or joint ventures are prepared for the same reporting period as the Group. After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in an associate or joint venture. If there is objective evidence of a loss of value, the entire carrying amount of the investment undergoes impairment testing pursuant to IAS 36 as a single asset. For more information on impairment, please see the section "Impairment of non-financial assets" in note 2.1 "Use of estimates and management judgment".

If the investment ceases to be an associate or a joint venture, the Group recognizes any retained investment at its fair value, through profit or loss. Any amounts previously recognized in other comprehensive income in respect of the former associate or joint venture are accounted for as if the Group had directly disposed of the related assets or liabilities.

If the ownership interest in an associate or a joint venture is reduced, but the Group continues to exercise a significant influence or joint control, the Group continues to apply the equity method and the share of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction is accounted for as if the Group had directly disposed of the related assets or liabilities.

Joint operations are joint arrangements whereby the Group, which holds joint control, has rights to the assets and obligations for the liabilities relating to the arrangement. For each joint operation, the Group recognized as-

sets, liabilities, costs and revenue on the basis of the provisions of the arrangement rather than the interest held.

Where there is an increase in the interest in a joint arrangement that meets the definition of a business:

- if the Group acquires control, and had rights over the assets and obligations for the liabilities of the joint arrangement immediately before the acquisition date, then the transaction represents a business combination achieved in stages, with the remeasurement of the interest it held previously in the joint operation at its fair value at each acquisition date;
- if the Group obtains joint control (i.e. it already had an interest in a joint operation without holding joint control), the interest previously held in the joint operation shall not be remeasured.

For more information on the Group's investments in associates and joint ventures, please see note 26 "Equity-accounted investments".

Translation of foreign currency items

Pursuant to "IAS 21 – The Effects of Changes in Foreign Exchange Rates", transactions in currencies other than the functional currency are initially recognized at the spot exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency other than the functional currency are subsequently translated using the spot exchange rate prevailing at the reporting date.

Non-monetary assets and liabilities denominated in foreign currency that are recognized at historical cost are translated using the exchange rate at the date of the initial recognition of the transaction. Non-monetary assets and liabilities in foreign currency measured at fair value are translated using the exchange rate at the date the fair value was determined.

Any exchange differences are recognized through profit or loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration in foreign currency paid or received, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability associated with the advance consideration.

Translation of financial statements denominated in a foreign currency

For the purposes of the consolidated financial statements, all revenue, expenses, assets and liabilities are stated in euro, which is the presentation currency of the Parent.

Pursuant to IAS 21, in order to prepare the consolidated financial statements, the financial statements of consolidated companies with functional currencies other than

the presentation currency used in the consolidated financial statements are translated into euros by applying the closing exchange rate to the assets and liabilities, including goodwill and consolidation adjustments, and the average exchange rate for the period to the income statement items on the condition it approximates the exchange rates prevailing at the date of the respective transactions.

Any resulting exchange gains or losses are recognized as a separate component of equity in a special reserve. The gains and losses are recognized proportionately in the income statement on the disposal (partial or total) of the subsidiary.

When the functional currency of a consolidated company is the currency of a hyperinflationary economy, the Group restates the financial statements in accordance with "IAS 29 - Financial Reporting in Hyperinflationary Economies" before applying the specific conversion method set out below.

In order to consider the impact of hyperinflation on the local currency exchange rate, the financial position and performance (i.e. assets, liabilities, equity items, revenue and expenses) of a company of the Group whose functional currency is the currency of a hyperinflationary economy are translated into the Group's presentation currency (the euro) using the exchange rate prevailing at the reporting date, except for comparative amounts presented in the previous year's financial statements which are not adjusted for subsequent changes in the price level or subsequent changes in exchange rates.

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized and is recognized in the consolidated financial statements as at the date of acquisition of control of the business.

To this end, the Group recognizes business combinations using:

- the "purchase method", for all business combinations initiated before January 1, 2010 and completed within that financial year on the basis of IFRS 3 (2004), where the purchase cost is equal to the fair value at the date of the exchange of the assets acquired and the liabilities incurred or assumed, plus costs directly attributable to the acquisition. This cost was allocated by recognizing the assets, liabilities and identifiable contingent liabilities of the acquired company at their fair values. Any positive difference between the cost of the acquisition and the fair value of the net assets acquired attributable to owners of the Parent was recognized as goodwill. The carrying amount of non-controlling interests was determined in proportion to the interest held by non-controlling shareholders in the net assets. In the case of business combinations achieved in stages, at

the date of acquisition any adjustment to the fair value of the net assets acquired previously was recognized in equity; the amount of goodwill was determined for each transaction separately based on the fair values of the acquiree's net assets at the date of each exchange transaction;

- the "acquisition method", for all business combinations carried out as from January 1, 2010 that are recognized on the basis of IFRS 3 (2008), which is referred to as IFRS 3 (Revised) hereafter, where the purchase cost (the consideration transferred) is equal to the fair value at the purchase date of the assets acquired and the liabilities incurred or assumed, as well as any equity instruments issued by the purchaser. The purchase cost includes the fair value of any asset or liability resulting from a contingent consideration arrangement. The consideration transferred is allocated by recognizing the assets, liabilities and identifiable contingent liabilities of the acquired company at their fair values as at the acquisition date. In this regard, goodwill is defined as the excess of the consideration transferred, measured at fair value as at the acquisition date, the amount of any non-controlling interest in the acquiree plus the fair value of any equity interest in the acquiree previously held by the Group (in a business combination achieved in stages) over the net amount of the identifiable assets acquired and the liabilities incurred or assumed measured at fair value. The carrying amount of non-controlling interests is determined either in proportion to the interest held by non-controlling shareholders in the net identifiable assets of the acquiree or at their fair value as at the acquisition date.

IFRS 3 (Revised) requires, among other things, the following:

- costs directly attributable to the acquisition are recognized through profit or loss;
- in the case of business combinations achieved in stages, at the date of acquisition of control the previously held equity interest in the acquiree is remeasured to fair value and any positive or negative difference is recognized in profit or loss;
- any contingent consideration is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration classified as an asset or a liability, or as a financial instrument within the scope of IFRS 9, are recognized in profit or loss. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS-IAS. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity;
- if the fair values of the assets, liabilities and contingent liabilities can only be calculated on a provisional basis, the business combination is recognized using such provisional values. Any adjustments resulting from the

completion of the measurement process are recognized within 12 months of the date of acquisition, restating comparative figures.

Goodwill arising on the acquisition of subsidiaries is recognized separately. After initial recognition, goodwill is not amortized, but is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated, from the acquisition date, to each CGU or group of CGUs that is expected to benefit from the synergies of the combination.

For more information, please see the section "Impairment of non-financial assets" in note 2.1 "Use of estimates and management judgment".

Goodwill relating to equity investments in associates and joint venture is included in their carrying amount.

Fair value measurement

For all fair value measurements and disclosures of fair value, that are either required or permitted by IFRS, the Group applies IFRS 13.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date (i.e. an exit price).

The fair value measurement assumes that the transaction to sell an asset or transfer a liability takes place in the principal market, i.e. the market with the greatest volume and level of activity for the asset or liability. In the absence of a principal market, it is assumed that the transaction takes place in the most advantageous market to which the Group has access, i.e. the market that maximizes the amount that would be received to sell the asset or minimizes the amount that would be paid to transfer the liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. Market participants are independent, knowledgeable sellers and buyers who are able to enter into a transaction for the asset or the liability and who are motivated but not forced or otherwise compelled to do so.

When measuring fair value, the Group considers the characteristics of the asset or liability, in particular:

- for a non-financial asset, a fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use;
- for liabilities and own equity instruments, the fair value reflects the effect of non-performance risk, i.e. the risk that an entity will not fulfill an obligation, including among others the credit risk of the Group itself.

In measuring the fair value of assets and liabilities, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Property, plant and equipment

Pursuant to IAS 16, property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenses directly attributable to bringing the asset to the location and condition necessary for its intended use.

The cost is also increased by the present value of the estimate of the costs of decommissioning and restoring the site on which the asset is located where there is a legal or constructive obligation to do so. The corresponding liability is recognized under provisions for risks and charges. For more information on changes in the estimate of these costs, the passage of time and the discount rate, please see note 2.1 "Use of estimates and management judgment".

Property, plant and equipment transferred from customers to connect them to the electricity distribution network and/or to provide them with other related services is initially recognized at its fair value at the date on which control is obtained.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, i.e. an asset that takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the assets themselves. Borrowing costs associated with the purchase/construction of assets that do not meet such requirement are expensed in the period in which they are incurred.

Certain assets that were revalued at the IFRS transition date or in previous periods are recognized at their fair value, which is considered to be their deemed cost at the revaluation date.

Where individual items of major components of property, plant and equipment have different useful lives, the components are recognized and depreciated separately.

Subsequent costs are recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits associated with the cost incurred to replace a part of the asset will flow to the Group and the cost of the item can be measured reliably. All other costs are recognized in profit or loss as incurred.

The cost of replacing part or all of an asset is recognized as an increase in the carrying amount of the asset and is depreciated over its useful life; the carrying amount of the replaced unit is derecognized through profit or loss.

Property, plant and equipment, net of its residual value, is depreciated on a straight-line basis over its estimated useful life, which is reviewed annually. Any changes in de-

preciation criteria shall be applied prospectively. Depreciation begins when the asset is available for use. For more information on estimating useful life, please see note 2.1 “Use of estimates and management judgment”.

Civil buildings	10–60 years
Buildings and civil works incorporated in plants	10–100 years
Hydroelectric power plants:	
- penstock	10–65 years
- mechanical and electrical machinery	10–65 years
- other fixed hydraulic works	10–100 years
Thermal power plants:	
- boilers and auxiliary components	20–40 years
- gas turbine components	10–40 years
- mechanical and electrical machinery	5–40 years
- other fixed hydraulic works	60 years
Nuclear power plants	50 years
Geothermal power plants:	
- cooling towers	20 years
- turbines and generators	10–50 years
- turbine parts in contact with fluid	10 years
- mechanical and electrical machinery	20–40 years
Wind power plants:	
- towers	20–30 years
- turbines and generators	20–30 years
- mechanical and electrical machinery	15–30 years
Solar power plants:	
- mechanical and electrical machinery	15–30 years
Public and artistic lighting:	
- public lighting installations	10–20 years
- artistic lighting installations	20 years
Transport lines	10–60 years
Transformer stations	20–55 years
Distribution plants:	
- high-voltage lines	10–60 years
- primary transformer stations	10–50 years
- low- and medium-voltage lines	10–50 years
Meters:	
- electromechanical meters	5–40 years
- electricity balance measurement equipment	10 years
- electronic meters	15 years
Charging stations	7–15 years

The useful life of leasehold improvements is determined on the basis of the term of the lease or, if shorter, on the duration of the benefits produced by the improvements themselves.

Land is not depreciated as it has an indefinite useful life.

Assets recognized under property, plant and equipment are derecognized either upon their disposal (i.e. at the date the recipient obtains control) or when no future eco-

nomie benefit is expected from their use or disposal. Any gain or loss, recognized through profit or loss, is calculated as the difference between the net disposal proceeds, determined in accordance with the transaction price requirements of IFRS 15, and the carrying amount of the derecognized assets.

Assets to be relinquished free of charge

The Group's plants include assets to be relinquished free of charge at the end of the concessions. These mainly regard major water diversion works and the public lands used for the operation of the thermal power plants.

Within the Italian regulatory framework in force until 2011, if the concessions are not renewed, at those dates all intake and governing works, penstocks, outflow channels and other assets on public lands were to be relinquished free of charge to the State in good operating condition. Accordingly, depreciation on assets to be relinquished was calculated over the shorter of the term of the concession and the useful life of the assets.

In the wake of the legislative changes introduced with Law 134 of August 7, 2012, the assets previously classified as assets “to be relinquished free of charge” connected with the hydroelectric water diversion concessions are now considered in the same manner as other categories of “property, plant and equipment” and are therefore depreciated over the useful life of the asset (where this exceeds the term of the concession), as discussed in the section above on the “Depreciable amount of certain elements of Italian hydroelectric plants subsequent to enactment of Law 134/2012”, which you are invited to consult for more details.

In accordance with Spanish laws 29/1985 and 46/1999, hydroelectric power stations in Spanish territory operate under administrative concessions at the end of which the plants will be returned to the government in good operating condition. The terms of the concessions extend up to 2078. A number of generation companies that operate in Latin America hold administrative concessions with similar conditions to those applied under the Spanish concession system. These concessions will expire in Argentina in 2087, in Brazil in 2047, in Costa Rica in 2031, in Panama and in Guatemala in 2062.

Service concession arrangements

When acting as operator under “public-to-private” service concession arrangements, the Group constructs/upgrades infrastructure used to provide a public service and/or operates and maintains that infrastructure for the years of the concession, in accordance with the terms specified in the contract.

In these circumstances, the Group does not account for the infrastructure operated under a service concession

arrangement within the scope of IFRIC 12 as property, plant and equipment, recognizing and measuring revenue in accordance with IFRS 15 for the services it performs. In particular, when the Group provides construction or upgrade services, depending on the characteristics of the service concession arrangement, it recognizes:

- a financial asset, if the Group has an unconditional contractual right to receive cash or another financial asset from the grantor (or from a third party at the direction of the grantor), that is the grantor has little discretion to avoid payment; and/or
- an intangible asset, if the Group receives the right (a license) to charge users of the public service provided and thus does not have an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service.

If the Group (as operator) has a contractual right to receive an intangible asset, borrowing costs are capitalized using the criteria specified in note 19 "Property, plant and equipment".

However, for construction/upgrade services, both types of consideration are classified as a contract asset during the construction/upgrade period.

For more details about such consideration, please see note 11.a "Revenue from sales and services".

Conversely, where the service concession arrangement provides for the infrastructure used for to operate the concessions themselves do not comply with the requirements established by IFRIC 12 and, in particular, are owned and available to the operator or have an indefinite expiry, the carrying amount of the assets attributable to these concessions is recognized under "Property, plant and equipment" and accounted for in accordance with IAS 16. Information on the main characteristics of the Group's service concession arrangements can be found in note 20 "Infrastructure within the scope of IFRIC 12 – Service Concession Arrangements".

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease applying the definition of a lease under IFRS 16, that is met if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When the Group acts as a lessee, it recognizes a right-of-use asset and a lease liability at the commencement date of the lease (i.e. the date the underlying asset is available for use).

The right-of-use asset is initially measured at cost, which includes the initial amount of lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to retire and remove the underlying asset and to restore the underlying asset or the site on which it is located.

Right-of-use assets are subsequently depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use assets.

	Average residual life (years)
Buildings	8
Ground rights of energy plants	32
Vehicles and other means of transport	4

If the lease transfers ownership of the underlying asset to the Group at the end of the lease term or if the cost of the right-of-use asset reflects the fact that the Group will exercise a purchase option, depreciation is calculated using the estimated useful life of the underlying asset.

In addition, the right-of-use assets are subject to impairment testing and adjusted for any remeasurement of lease liabilities.

The lease liability is initially measured at the present value of lease payments to be made over the lease term, discounted using the lessee's incremental borrowing rate at the lease commencement date when the interest rate implicit in the lease is not readily determinable.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

After the commencement date, the lease liability is measured at amortized cost using the effective interest method and is remeasured upon the occurrence of certain events.

The Group applies the short-term lease recognition exemption to its lease contracts that have a lease term of 12 months or less from the commencement date. It also applies the low-value assets recognition exemption to lease contracts for which the underlying asset is of low-value whose amount is estimated not material. For example, the Group has leases of certain office equipment (i.e. personal computers, printing and photocopying machines) that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Intangible assets

Pursuant to IAS 38, intangible assets are identifiable assets without physical substance controlled by the Group, when it is probable that the use of such assets will generate future economic benefits and the related cost can be reliably determined.

They are measured at purchase or internal development cost for internally generated assets and are recognized only when the Group can demonstrate the technical feasibility of completing the asset, its intention and ability to complete development and to use or sell the asset and the availability of resources to complete the asset.

The cost includes any directly attributable expenses necessary to make the assets ready for their intended use.

Intangible assets with a finite useful life are recognized net of accumulated amortization and any impairment losses. Amortization is calculated on a straight-line basis over the asset's estimated useful life, which is reassessed at least annually; any changes in amortization policies are reflected on a prospective basis. For more information on estimating useful life, please see note 2.1 "Use of estimates and management judgment" and note 23 "Intangible assets". Amortization commences when the asset is ready for use. Consequently, intangible assets not yet available for use are not amortized, but are tested for impairment at least annually.

The Group's intangible assets have a finite useful life, with the exception of a number of concessions and goodwill. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually.

The assessment of indefinite useful life is reviewed annually to determine whether the indefinite useful life continues to be supportable. If not, the change in useful life from indefinite to finite is accounted for as a change in accounting estimate.

Development expenditure:	
- internally generated	5 years
- acquired	3-26 years
Industrial patents and intellectual property rights:	
- internally generated	3-10 years
- acquired	3-10 years
Concessions, licenses, trademarks and similar rights:	
- internally generated	20 years
- acquired	10-18 years
Other:	
- internally generated	2-28 years
- acquired	3-15 years

The Group presents costs to obtain a contract with a customer capitalized in accordance with IFRS 15 as intangible assets, only if:

- the costs are incremental, that is they are directly attributable to an identified contract and the Group would not have incurred them if the contract had not been obtained;
- the Group expects to recover them, through reimbursements (direct recoverability) or the margin (indirect recoverability).

In particular, the Group generally capitalizes trade fees and commissions paid to agents for such contracts if the capitalization criteria are met.

Capitalized customer contract costs are amortized on a systematic basis, consistent with the pattern of the transfer of the goods or services to which they relate, and undergo impairment testing to identify any impairment losses to the extent that the carrying amount of the asset recognized exceeds the recoverable amount.

The Group amortizes the capitalized customer contract costs on a straight-line basis over the expected period of benefit from the contract (i.e. the average term of the customer relationship); any changes in amortization policies are reflected on a prospective basis.

Impairment of non-financial assets

Pursuant to "IAS 36 – Impairment of assets", at each reporting date, property, plant and equipment, investment property recognized at cost, intangible assets, right-of-use assets, goodwill and equity investments in associates/joint ventures are reviewed to determine whether there is evidence of impairment (using internal and external sources of information).

CGUs to which goodwill is allocated, intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for recoverability annually or more frequently if there is evidence suggesting that the assets can be impaired.

If such evidence exists, the recoverable amount of any involved asset is estimated on the basis of the use of the asset and its future disposal, in accordance with the Group's most recent Business Plan. For the estimate of the recoverable amount, please see note 2.1 "Use of estimates and management judgment".

The recoverable amount is determined for an individual asset, unless the asset do not generate cash inflows that are largely independent of those from other assets or groups of assets and therefore it is determined for the CGU to which the asset belongs.

If the carrying amount of an asset or of a CGU to which it is allocated is greater than its recoverable amount, an impairment loss is recognized in profit or loss and presented under "Depreciation, amortization and other impairment losses".

Impairment losses of CGUs are firstly charged against the carrying amount of any goodwill attributed to it and then against the other assets, in proportion to their carrying amount.

If the reasons for a previously recognized impairment loss no longer apply, the carrying amount of the asset is restored through profit or loss, under "Depreciation, amortization and other impairment losses", in an amount that shall not exceed the carrying amount that the asset would have had if the impairment loss had not been recognized. The original amount of goodwill is not restored even if in subsequent years the reasons for the impairment no longer apply.

Inventories

Pursuant to IAS 2, inventories are measured at the lower of cost and net realizable value except for inventories involved in trading activities, which are measured at fair value with recognition through profit or loss. Cost is determined on the basis of average weighted cost, which in-

cludes related ancillary charges. Net estimated realizable value is the estimated normal selling price net of estimated costs to sell or, where applicable, replacement cost. For the portion of inventories held to discharge sales that have already been made, the net realizable value is determined on the basis of the amount established in the contract of sale.

Inventories include environmental certificates (for example, green certificates, energy efficiency certificates and European CO₂ emissions allowances and guarantees of origin and renewable energy certificates) not used for compliance in the reporting period. These inventories are allocated to different portfolios, distinguishing between those held for trading or non-trading purposes. For more details on inventories, please see note 58 "Environmental programs".

Materials and other consumables (including energy commodities) held for use in production are not written down if it is expected that the final product in which they will be incorporated will be sold at a price sufficient to enable recovery of the cost incurred.

Financial instruments

Financial instruments are recognized and measured in accordance with "IAS 32 – Financial Instruments: Presentation" and "IFRS 9 – Financial Instruments".

A financial asset or liability is recognized in the consolidated financial statements when, and only when, the Group becomes party to the contractual provision of the instrument (i.e. the trade date).

Trade receivables arising from contracts with customers, in the scope of IFRS 15, are initially measured at their transaction price (as defined in IFRS 15) if such receivables do not contain a significant financing component or when the Group applies the practical expedient allowed by IFRS 15.

Conversely, the Group initially measures financial assets other than the above-mentioned trade receivables at their fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs. Financial assets are classified, at initial recognition, as financial assets at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss, on the basis of both:

- the Group's business model for managing financial assets, that is the way in which the Group manages its financial assets in order to generate cash flows (i.e. collecting contractual cash flows, selling the financial assets, or both); and
- the contractual cash flow characteristics of the instrument, to determine whether the instrument gives rise to cash flows that are solely payments of principal and interest based on the SPPI test.

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets measured at amortized cost (debt instruments);
- financial assets at fair value through OCI with reclassification of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through OCI with no reclassification of cumulative gains and losses upon derecognition (equity instruments); and
- financial assets at fair value through profit or loss.

Financial assets measured at amortized cost

This category mainly includes trade receivables, other financial assets and loan assets.

Financial assets at amortized cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and whose contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such assets are initially recognized at fair value, adjusted for any transaction costs, and subsequently measured at amortized cost using the effective interest method and are subject to impairment.

Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through other comprehensive income (FVOCI) – Debt instruments

Financial assets at fair value through other comprehensive income are assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and whose contractual cash flows give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Changes in fair value for these financial assets are recognized in other comprehensive income as well as loss allowances that do not reduce the carrying amount of the financial assets.

When a financial asset is derecognized (e.g., at the time of sale), the cumulative gains and losses previously recognized in equity (except impairment and foreign exchange gains and losses to be recognized in profit or loss) are reversed to profit or loss.

Financial assets at fair value through other comprehensive income (FVOCI) – Equity instruments

This category includes mainly equity investments in other entities irrevocably designated as such upon initial recognition.

Gains and losses on these financial assets are never reclassified to profit or loss. The Group may transfer the cumulative gain or loss within equity.

Equity instruments designated at fair value through OCI are not subject to impairment testing.

Dividends on such investments are recognized in profit or loss unless they clearly represent a recovery of a part of the cost of the investment.

Financial assets at fair value through profit or loss

This category mainly includes:

- financial assets with cash flows that are not solely payments of principal and interest, irrespective of the business model;
- financial assets held for trading because acquired or held principally for the purpose of selling or repurchasing in the short term (i.e. securities, financial investments in funds, etc.);
- derivatives, including separated embedded derivatives, held for trading or not designated as effective hedging instruments;
- financial assets that qualify as contingent consideration.

Such financial assets are initially recognized at fair value with subsequent gains and losses from changes in their fair value recognized through profit or loss.

This category also includes equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are also recognized as other income in the income statement when the right of payment has been established.

Impairment of financial assets

At each reporting date, the Group recognizes a loss allowance for expected credit losses on trade receivables and other financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income (FVOCI), contract assets and all other assets within the scope of IFRS 9.

The impairment model adopted by the Group in compliance with IFRS 9 is based on the determination of expected credit losses (ECL) using a forward-looking approach. For trade receivables, contract assets and lease receivables, including those with a significant financial component, the Group adopts the simplified approach, determining expected credit losses over a period corresponding to the entire life of the asset, generally equal to 12 months. For all financial assets other than trade receivables, contract assets and lease receivables, the Group applies the general approach under IFRS 9, based on the assessment of a significant increase in credit risk since initial recognition.

The Group recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

The Group applies the low credit risk exemption, avoiding the recognition of loss allowances at an amount equal to lifetime expected credit losses due to a significant increase in credit risk of debt securities at fair value through OCI,

whose counterparty has a strong financial capacity to meet its contractual cash flow obligations (e.g., investment grade). For more information on the impairment of financial assets, please see note 48 "Financial instruments by category".

Cash and cash equivalents

This category includes deposits that are available on demand or at very short term, as well as highly liquid short-term financial investments that are readily convertible into a known amount of cash and which are subject to insignificant risk of changes in value.

In addition, for the purpose of the consolidated statement of cash flows, cash and cash equivalents do not include bank overdrafts at period-end.

Financial liabilities at amortized cost

This category mainly includes borrowings, trade payables, lease liabilities and debt instruments.

Financial liabilities, other than derivatives, are recognized when the Group becomes a party to the contractual clauses of the instrument and are initially measured at fair value adjusted for directly attributable transaction costs. Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the carrying amount of the financial asset or liability.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss mainly include:

- financial liabilities held for trading incurred for the purpose of repurchasing in the near term;
- derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9;
- financial liabilities that qualify as contingent consideration.

Derecognition of financial assets and liabilities

Financial assets are derecognized whenever one of the following conditions is met:

- the contractual right to receive the cash flows associated with the asset expires;
- the Group has transferred substantially all the risks and rewards associated with the asset, transferring its rights to receive the cash flows of the asset or assuming a contractual obligation to pay such cash flows to one or more beneficiaries under a contract that meets the requirements provided by IFRS 9 (the "pass through test");
- the Group has not transferred or retained substantially all the risks and rewards associated with the asset but has transferred control over the asset.

On derecognition of a financial asset, the Group recognizes the difference between the carrying amount (measured at the date of derecognition) and the consideration received through profit or loss.

Financial liabilities are derecognized when they are extinguished, i.e. when the contractual obligation has been discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Derivative financial instruments

Derivative instruments are classified as financial assets or liabilities depending on the positive or negative fair value and they are classified as “held for trading” within “Other business models” and measured at fair value through profit or loss, except for those designated as effective hedging instruments.

All derivatives held for trading are classified as current assets or liabilities.

Derivatives not held for trading purposes, but measured at fair value through profit or loss since they do not qualify for hedge accounting, and derivatives designated as effective hedging instruments are classified as current or not current on the basis of their maturity date and the Group intention to hold the financial instrument till maturity or not.

For more details on derivatives and hedge accounting, please see note 51 “Derivatives and hedge accounting”.

Embedded derivatives

An embedded derivative is a derivative included in a “combined” contract (the so-called “hybrid instrument”) that contains another non-derivative contract (the so-called “host contract”) and gives rise to some or all of the combined contract’s cash flows. Embedded derivatives are separated from the host contract and accounted for as derivatives when:

- the host contract is not a financial instrument measured at fair value through profit or loss;
- the economic risks and characteristics of the embedded derivative are not closely related to those of the host contract;
- a separate contract with the same terms as the embedded derivative would meet the definition of a derivative.

Embedded derivatives that are separated from the host contract are recognized in the consolidated financial statements at fair value with changes recognized in profit or loss (except when the embedded derivative is part of a designated hedge relationship).

Contracts that do not represent financial instruments to be measured at fair value are analyzed in order to identify

any embedded derivatives, which are to be separated and measured at fair value. This analysis is performed when the Group becomes party to the contract or when the contract is renegotiated in a manner that significantly changes the original associated cash flows.

The main Group contracts that may contain embedded derivatives are contracts to buy or sell energy commodities.

Contracts to buy or sell non-financial items

In general, contracts to buy or sell non-financial items that are entered into and continue to be held for receipt or delivery in accordance with the Group’s normal expected purchase, sale or usage requirements are out of the scope of IFRS 9 and then recognized as executory contracts, in accordance with the “own use exemption”.

A contract to buy or sell non-financial items is classified as “normal purchase or sale” if it is entered into:

- for the purpose of the physical settlement;
- in accordance with the entity’s expected purchase, sale or usage requirements.

Moreover, contracts to buy or sell non-financial items with physical settlement (for example, fixed-price forward contracts on energy commodities) that do not qualify for the own use exemption are recognized as derivatives measured at fair value from the trade date only if:

- they can be settled net in cash; and
- they are not entered into in accordance with the Group’s expected purchase, sale or usage requirements.

Trading contracts are valued at fair value through profit or loss; the results of the measurement of changes in the fair value of contracts still outstanding at the reporting date are recognized on a net basis under the item “Net results from commodity contracts”, while at the settlement date:

- the results of the measurement of changes in the fair value of closed contracts for the sale of energy commodities as well as the related revenue, together with the impact on profit or loss of the derecognition of the derivative, are recognized under “Revenue from sales and services”;
- the results of the measurement of changes in the fair value of closed contracts for the purchase of energy commodities as well as the related cost, together with the impact on profit or loss of the derecognition of the derivative, are recognized under “Electricity, gas and fuel” and “Services and other materials”.

Contracts to buy or sell non-financial items falling within the scope of application of IFRS 9 can also be subsequently designated as hedging instruments if they satisfy the requirements for hedge accounting.

The Group analyzes all contracts to buy or sell non-financial assets on an ongoing basis, with a specific focus on forward purchases and sales of electricity and energy commodities, in order to determine if they shall be classified and treated in accordance with IFRS 9 or if they have been entered into for “own use”.

Offsetting of financial assets and liabilities

The Group offsets financial assets and liabilities when it:

- currently has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Hyperinflation

Pursuant to IAS 29, in a hyperinflationary economy, the Group adjusts non-monetary items, equity and items deriving from index-linked contracts up to the limit of recoverable amount, using a price index that reflects changes in general purchasing power.

The effects of initial application are recognized in equity net of tax effects. Conversely, during the hyperinflationary period (until it ceases), the gain or loss resulting from adjustments is recognized in profit or loss and disclosed separately in financial income and expense.

These provisions are applied to the Group's transactions in Argentina, whose economy has been declared hyperinflationary since July 1, 2018.

Non-current assets (or disposal groups) classified as held for sale and discontinued operations

Pursuant to IFRS 5, non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, rather than through continuing use.

This classification criterion is applicable only when non-current assets (or disposal groups) are available in their present condition for immediate sale and the sale is highly probable.

For more details on the requirements for determining whether a sale is highly probable, please see note 2.1 "Use of estimates and management judgment".

If the Group is committed to a sale program involving loss of control of a subsidiary and the requirements provided for under IFRS 5 are met, all the assets and liabilities of that subsidiary are classified as held for sale when the classification criteria are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

The Group applies these classification criteria as envisaged in IFRS 5 to an investment, or a portion of an investment, in an associate or a joint venture. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale is accounted for using the equity method until disposal of the portion that is classified as held for sale takes place.

Non-current assets (or disposal groups) and liabilities of disposal groups classified as held for sale are presented separately from other assets and liabilities in the consoli-

dated statement of financial position.

The amounts presented for non-current assets or for the assets and liabilities of disposal groups classified as held for sale are not reclassified or re-presented for prior periods presented.

Immediately before the initial classification of non-current assets (or disposal groups) as held for sale, the carrying amounts of such assets (or disposal groups) are measured in accordance with the accounting standard applicable to those assets or liabilities. Non-current assets (or disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses for any initial or subsequent write-down of the assets (or disposal groups) to fair value less costs to sell and gains for their reversals are recognized in profit or loss from continuing operations.

Non-current assets are not depreciated (or amortized) while they are classified as held for sale or while they are part of a disposal group classified as held for sale.

If a component of the Group is a discontinued operation, the Group presents, in a separate line item of the income statement, a single amount comprising the total of:

- the post-tax profit or loss of discontinued operations; and
- the post-tax gain or loss recognized on the measurement at fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operation.

The corresponding amount is restated in the income statement for prior periods presented in the financial statements, so that the disclosures relate to all operations that are discontinued by the end of the current reporting period. If the Group ceases to classify a component as held for sale, the results of the component previously presented in discontinued operations are reclassified and included in profit or loss from continuing operations for all periods presented.

Environmental certificates

In the absence of specific IAS/IFRS rules, the accounting treatment adopted by the Group complies with the general rules included in the body of applicable IAS/IFRS accounting standards and with international best practice.

In particular, the Group accounting treatment of environmental certificates reflects the business model of the entities involved and, therefore, the different features of the business conducted by these entities, distinguishing between those that generate electricity from renewable sources, obligated parties, traders and other entities that operate in the energy services sector even though they are not obligated parties.

Further details on the application of this accounting model are provided in note 58 "Environmental programs".

Employee benefits

Post-employment and other long-term benefits

Pursuant to IAS 19, the Group determines separately for each plan liabilities related to employee benefits paid upon or after ceasing employment or other long-term benefits accrued during the employment period. The Group uses actuarial assumptions to estimate the amount of the future benefits that employees have accrued at the reporting date (using the projected unit credit method) and an appropriate discount rate to determine the present value of those plans.

The liability, net of any plan assets, is recognized on an accrual basis over the vesting period of the related rights. These appraisals are performed by independent actuaries.

If the plan assets exceed the present value of the related defined benefit obligation, the surplus (up to the limit of any cap) is recognized as an asset.

As regards the liabilities/(assets) of defined benefit plans, the Group recognizes the cumulative actuarial gains and losses from the actuarial measurement of the liabilities, the return on the plan assets (net of the associated interest income) and the effect of the asset ceiling (net of the associated interest) in other comprehensive income when they occur. For other long-term benefits, the related actuarial gains and losses are recognized through profit or loss.

In addition, the Group is involved in defined contribution plans under which it pays fixed contributions to a separate entity (a fund) and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Such plans are usually aimed to supplement pension benefits due to employees post-employment. The related costs are recognized through profit or loss on the basis of the amount of contributions paid in the period.

Termination benefits

Pursuant to IAS 19, liabilities for benefits due to employees for the early termination of employee service arise out of the Group's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Termination benefits are recognized at the earlier of the following dates:

- when the entity can no longer withdraw its offer of benefits; and
- when the entity recognizes a cost for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

The liabilities are measured on the basis of the nature of the employee benefits.

Share-based payments

The Group undertakes share-based payment transactions settled with equity instruments as part of the remuneration policy adopted for the Chief Executive Officer/General Manager and for key management personnel.

The most recent long-term incentive plans provide for the grant to recipients of an incentive represented by an equity component (settled with equity instruments) and a monetary component (paid in cash), which will accrue if specific conditions are met.

Pursuant to IFRS 2, the Group classifies the monetary component as a cash-settled transaction if it is based on the price (or value) of the equity instruments of the company that issued the plan or, in other cases, as another long-term employee benefit.

In order to settle the equity component through the bonus award of Enel shares, a program for the purchase of treasury shares to support these plans was approved. For more details on share-based incentive plans, please see note 53 "Share-based payments".

In particular for the equity component, the Group recognizes the services rendered by employees as personnel expenses over the period in which the conditions for remaining in service and for achieving certain results must be satisfied (vesting period) and indirectly estimates their value, and the corresponding increase in a specific equity item, on the basis of the fair value of the equity instruments (i.e. the issuer shares) at the grant date.

The overall expense recognized is adjusted at each reporting date until the vesting date to reflect the best estimate available to the Group of the number of equity instruments for which the service and performance conditions other than market conditions or non-vesting conditions will be satisfied at the end of the vesting period.

Conversely, if the incentive based on equity instruments is paid in cash, the Group recognizes the services rendered by employees as personnel expenses over the vesting period and a corresponding liability measured at the fair value of the liability incurred. Subsequently, and until its extinction, the liability is remeasured at fair value at each reporting date, considering the best possible estimate of the incentive that will vest, with changes in fair value recognized under personnel expenses.

Provisions for risks and charges

Pursuant to IAS 37, provisions are recognized where there is a legal or constructive obligation as a result of a past event at the end of the reporting period, the settlement of which is expected to result in an outflow of resources whose amount can be reliably estimated. Where the

impact of the time value of money is material, the accruals are determined by discounting expected future cash flows using a pre-tax discount rate that reflects the current market assessment of the time value of money and, if applicable, the risks specific to the liability.

If the provision is discounted, the periodic adjustment of the present value for the time factor is recognized as a financial expense.

When the Group expects some or all charges to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. Where the liability relates to decommissioning and/or site restoration in respect of property, plant and equipment, the initial recognition of the provision is made against the related asset and the expense is then recognized in profit or loss through the depreciation of the asset involved.

Where the liability regards the treatment and storage of nuclear waste and other radioactive materials, the provision is recognized against the related operating costs.

A liability for restructuring refers to a program planned and controlled by management that materially changes the scope of a business undertaken by the Group or the manner in which the business is conducted. Such a liability is recognized when a constructive obligation is established, i.e. when the Group has approved a detailed formal restructuring plan and has started to implement the plan or has announced its main features to those affected by it.

Provisions do not include liabilities in respect of uncertain income tax treatments that are recognized as tax liabilities. The Group could provide a warranty in connection with the sale of a product (whether a good or service) from contracts with customers in the scope of IFRS 15, in accordance with the contract, the law or its customary business practices. In this case, the Group assesses whether the warranty provides the customer with assurance that the related product will function as the parties intended because it complies with agreed-upon specifications or whether the warranty provides the customer with a service in addition to the assurance that the product complies with agreed-upon specifications.

After the assessment, if the Group establishes that an assurance warranty is provided, it recognizes a separate warranty liability and corresponding expense when transferring the product to the customer, as additional costs of providing goods or services, without attributing any of the transaction price (and therefore revenue) to the warranty. The liability is measured and presented as a provision.

Otherwise, if the Group determines that a service warranty is provided, it accounts for the promised warranty as a performance obligation in accordance with IFRS 15, recognizing the contract liability as revenue over the period the warranty service is provided and the costs associated as they are incurred.

Finally, if the warranty includes both an assurance element and a service element and the Group cannot reasonably

account for them separately, then it accounts for both of the warranties together as a single performance obligation.

Changes in estimates of accruals to the provisions addressed here are recognized through profit or loss in the period in which the changes occur, with the exception of those in the costs of decommissioning, retiring and/or restoration resulting from changes in the timetable and costs necessary to extinguish the obligation or from a change in the discount rate. These changes increase or decrease the carrying amount of the related assets and are taken to profit or loss through depreciation. Where they increase the carrying amount of the assets, it is also determined whether the new carrying amount of the assets is fully recoverable. If this is not the case, a loss equal to the unrecoverable amount is recognized through profit or loss.

Decreases in estimates are recognized up to the carrying amount of the assets. Any excess is recognized immediately in profit or loss.

For more information on the estimation criteria adopted in determining provisions for retiring and/or restoration of property, plant and equipment, especially those associated with decommissioning nuclear power plants and storage of waste fuel and other radioactive materials, please see note 2.1 "Use of estimates and management judgment".

Revenue from contracts with customers

The Group recognizes revenue from contracts with customers at an amount that reflects the consideration at which the Group expects to be entitled in exchange for those goods or services, using the five-step model envisaged by IFRS 15:

- identify the contract with the customer;
- identify the performance obligations in the contract, that is, all goods or services promised in the contract;
- determine the transaction price at inception of the contract considering any variable considerations, non-cash consideration received from a customer or payable to the customer, significant financing components;
- allocate the transaction price, at contract inception, to each separate performance obligation;
- recognize revenue, when (or as) each performance obligation is satisfied by transferring the promised good or service to the customer.

The Group does not disclose the information about the remaining performance obligations in existing contracts if the performance obligation is part of a contract that has an original expected duration of one year or less and if the Group recognizes revenue in the amount to which it has a right to invoice the customer.

More information on the application of this revenue recognition model is provided in note 2.1 "Use of estimates

and management judgment” and in note 11.a “Revenue from sales and services”.

Other revenue

The Group recognizes revenue other than that deriving from contracts with customers mainly referring to:

- revenue from the sale of energy commodities based on contracts with physical settlement, which do not qualify for the own use exemption and therefore is recognized at FVTPL in accordance with IFRS 9;
- changes in the fair value of settled contracts to sell energy commodities with physical settlement, which do not qualify for the own use exemption and therefore are recognized at FVTPL in accordance with IFRS 9;
- operating lease revenue accounted for on an accrual basis in accordance with the substance of the relevant lease agreement.

Other operating income

Other operating income primarily includes gains on disposal of assets that are not an output of the Group’s ordinary activities and government grants.

Pursuant to IAS 20, government grants, including non-monetary grants at fair value, are recognized where there is reasonable assurance that they will be received and that the Group will comply with all conditions attaching to them as set by the government, government agencies and similar bodies whether local, national or international.

When loans are provided by governments at a below-market rate of interest, the benefit is regarded as a government grant. The loan is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying amount of the loan and the funds received. The loan is subsequently measured in accordance with the requirements for financial liabilities.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the costs that the grants are intended to compensate.

A government grant received to compensate for costs or losses already incurred, or for the purpose of providing immediate financial support to the Group without related future costs, is recognized as income in the year in which it becomes enforceable.

When government grants are received to purchase, build or otherwise acquire non-current assets (for example, an item of property, plant and equipment or an intangible asset), they are deducted from the carrying amount of the asset and are recognized in profit or loss over the depreciable/amortizable life of the asset as a reduction in the depreciation/amortization charge. If there is insufficient information to enable adequate attribution to the fixed assets to which they refer, capital grants are recognized

as deferred income under other liabilities, and credited to profit or loss on a systematic basis over the useful life of the asset. If a government grant is made in a period subsequent to that in which the depreciation of the assets began, the portion of the grant corresponding to the depreciation recognized in previous periods is recognized directly in profit or loss.

Where the Group receives government grants in the form of a transfer of a non-monetary asset for the use of the Group, it accounts for both the grant and the asset at the fair value of the non-monetary asset received at the date of the transfer.

Net results from commodity contracts

The net results from commodity contracts include:

- the net income or expense from commodity derivatives, including derivatives designated as cash flow hedges and derivatives measured at fair value through profit or loss, whether settled or outstanding at the reporting date; and
- the net gain/(loss) from the measurement through profit or loss of energy commodity contracts with physical settlement still outstanding at the reporting date.

Dividends

Pursuant to “IFRS 9 – Financial Instruments”, dividends are recognized when the unconditional right to receive payment is established.

Dividends and interim dividends payable to the Parent’s shareholders and non-controlling interests are recognized as changes in equity in the period in which they are approved by the Shareholders’ Meeting and the Board of Directors, respectively.

Income taxes

IAS 12 specifies the requirements for the recognition of current and deferred tax assets and liabilities. The uncertainty in the determination of tax liabilities is defined in accordance with the provisions of “IFRIC 23 – Uncertainty over Income Tax Treatments”.

Current income taxes

Current income taxes for the year, which are recognized under “Income tax liabilities” net of payments on account, or under “Tax assets” where there is a credit balance, are determined using an estimate of taxable income and in conformity with the applicable regulations.

Such liabilities and assets are determined using the tax rates and tax laws that are enacted or substantively enacted by the end of the reporting period in the countries where taxable income has been generated.

Current income taxes are recognized in profit or loss with the exception of current income taxes related to items recognized outside profit or loss that are recognized in equity.

Deferred tax

Deferred tax liabilities and assets are calculated on the temporary differences between the carrying amounts of liabilities and assets in the financial statements and their corresponding amounts recognized for tax purposes on the basis of tax rates in effect on the date the temporary difference will reverse, which is determined on the basis of tax rates that are enacted or substantively enacted as at the end of the reporting period.

Deferred tax liabilities are recognized for all taxable temporary differences, except when such liability arises: (i) from the initial recognition of goodwill; or (ii) from the initial recognition of an asset or a liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and does not give rise to equal taxable and deductible temporary differences; or (iii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the Group can control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of tax losses and any unused tax credits. For more information concerning the recoverability of such assets, please see the appropriate section of the discussion of estimates.

Deferred taxes and liabilities are recognized in profit or loss, with the exception of those in respect of items recognized outside profit or loss that are recognized in equity.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets with current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Uncertainty over income tax treatments

In defining "uncertainty", it shall be considered whether a particular tax treatment will be accepted by the relevant taxation authority. If it is deemed probable that the tax treatment will be accepted (where the term "probable" is defined as "more likely than not"), then the Group recognizes and measures its current/deferred tax asset or liabilities applying the requirements in IAS 12.

Conversely, when the Group feels that it is not likely that the taxation authority will accept the tax treatment for income tax purposes, the Group reflects the uncertainty in the manner that best predicts the resolution of the uncertain tax treatment.

For more information on uncertainty over tax treatments, please see note 2.1 "Use of estimates and management judgment".

Since uncertain income tax positions meet the definition of income taxes, the Group presents uncertain tax liabilities/assets as current tax liabilities/assets or deferred tax liabilities/assets.

3. New and amended standards and interpretations

The Group has applied the following standards, interpretations and amendments that took effect as from January 1, 2023.

- “*Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies*”, issued in February 2021. The amendments are intended to provide support in deciding which policies to disclose. In this regard:
 - the amendments to “IAS 1 – Presentation of Financial Statements” require disclosures of “material” accounting policies rather than “significant” policies;
 - the amendments to “IFRS Practice Statement 2 – Making Materiality Judgements” are intended to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

In the absence of an IFRS definition of “significant” in the context of disclosures on accounting policies, the term has been replaced with “material”. The definition of material was modified in October 2018, and aligned with the IFRS and the Conceptual Framework and, therefore, is widely understood by primary users of financial statements. In accordance with IAS 1, information on accounting policies is material if, either individually or in combination with other information, it could reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of such financial statements. When assessing the materiality of the disclosures on accounting policies, it is appropriate to consider both the magnitude of the transactions, other events or conditions, and their nature. However, although a transaction, other event or condition to which the disclosures on accounting policies refer may be material, this does not imply that the corresponding information is material for the purposes of the financial statements. In this context, the amendments to the IFRS Practice Statement 2 seek to provide guidance on how to determine whether disclosure of an accounting policy is material for financial statement purposes. These amendments aim to: (i) clarify that materiality judgments about disclosures of accounting policies should follow the same guidance in materiality judgments about other information, therefore considering both qualitative and quantitative factors; (ii) underscore the importance of providing information on accounting policies that is specific to the Group; and (iii) provide examples of situations where generic or standardized information, although summarizing or duplicating the requirements of the IFRS, can be considered disclosure of material accounting policies.

The disclosures on accounting policies have been revised in line with the requirements established by the amendments and have been updated in note 2.2 “Material accounting policies”.

- “*Amendments to IAS 8 – Definition of Accounting Estimates*”, issued in February 2021. The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The definition of changes in accounting estimates has been replaced with a definition of accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. In order to clarify the interaction between an accounting policy and an accounting estimate, IAS 8 has been amended to state that an accounting standard may require certain financial statement items to be measured at monetary amounts that cannot be directly observed, and therefore must be estimated (since they involve uncertainty in the measurement). In such circumstances, accounting estimates are developed to achieve the objective set out by the accounting policy, including the use of judgments and assumptions based on the latest available, reliable information. The amendments explain how measurement techniques and inputs must be used to develop accounting estimates and establish that measurement techniques include estimation techniques. In order to provide greater guidance, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates unless they result from the correction of prior period errors. Changes in accounting estimates resulting from new information are not corrections of errors. The application of the amendments did not have a material impact on these consolidated financial statements.
- “*Amendments to IAS 12 – Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*”, issued in May 2021. The amendments clarify that the exemption from initial recognition provided for by the standard no longer applies to transactions that give rise to taxable and deductible temporary differences of the same amount.

In general, the initial recognition exemption provided for by IAS 12 prohibits the recognition of deferred assets and liabilities in respect of the initial recognition of assets or liabilities in a transaction that does not constitute a business combination and affects neither accounting profit nor taxable profit. As illustrated, the amendments have narrowed the scope of the exception.

For transactions (e.g., leases and decommissioning liabilities) subject to the amendments, the related deferred assets and liabilities shall be recognized from the beginning of the first comparative period presented, with any cumulative effect recognized as an adjustment

to retained earnings (or other components of equity) as at that date. In this regard, the application of the amendments did not produce a material impact on retained earnings in the opening equity of the Enel Group at January 1, 2022.

- “Amendments to IAS 12 – International Tax Reform – Pillar II Model Rules”, issued in May 2023. The changes were introduced in response to the Pillar II rules issued by the OECD, the aim of which is to ensure that large multinational enterprises pay a minimum level of income tax, generated in a specific period, in each jurisdiction in which they operate. In general, these rules require the application of a top-up tax that brings the total amount of taxes paid in each jurisdiction in which they operate to a minimum of 15%.

The changes introduced:

- a mandatory temporary exception to the accounting for and disclosure of deferred tax assets and liabilities arising from the implementation of the Pillar II rules; and
- disclosure requirements to help users of the financial statements better understand an entity’s exposure to income taxes arising from the rule.

In particular, for periods in which Pillar II legislation is enacted but not yet in effect, the entity shall disclose qualitative information (such as information regarding how the entity is affected by Pillar II rules and the main jurisdictions in which exposures might exist) and quantitative information (such as indicating the portion of profits that could be subject to Pillar II income taxes and

the average effective tax rate applicable to such profits; or indicating how the entity’s average effective tax rate would have changed if Pillar II legislation had been in effect).

The Group has adopted the mandatory temporary exception to the recognition of deferred taxation, which applies retrospectively. However, since as at December 31, 2022 no new rule for the application of the top-up tax had yet been issued in any jurisdiction in which the Group operates and no related deferred tax had been recognized as of that date, retrospective application has had no impact on the Group’s consolidated financial statements.

For more information on the disclosure requirements, please see note 4 “Minimum tax”.

- “IFRS 17 – Insurance Contracts”, issued in May 2017. The new standard was issued by the IASB to replace IFRS 4, defining the principles for the recognition, measurement, presentation and disclosure of insurance contracts, including reinsurance contracts issued and held and investment contracts with discretionary participation features. The standard applies to insurance contracts compliant with the definition of IFRS 17, regardless of the issuer, but includes various exceptions and exemption options that allow certain types of contracts that meet the definition of insurance contract to be accounted for by applying another standard. Based on the analysis performed, the new standard has had no impact on the Group’s consolidated financial statements.

4. Minimum tax

The Pillar II – Global Anti-Base Erosion Model Rules (GloBE Rules), which are intended to ensure that large multinational enterprises pay a minimum level of income tax in each jurisdiction in which they operate, have been enacted or substantially enacted in certain jurisdictions in which the Enel Group operates. In general, the rules envisage the application of a “top-up” tax to the excess profit in a jurisdiction to bring the effective tax rate on that income up to a minimum of 15%.

For this purpose, the Group has conducted an assessment of its potential exposure to the top-up tax in such jurisdictions, which found that there are a limited number of circumstances in which the effective tax rate is below 15%.

On the basis of this assessment, the potential top-up tax that the Enel Group will have to pay as the difference between the effective tax rates calculated per jurisdiction based on the GloBE Rules and the minimum rate of 15% will not have a significant impact.

In application of the provisions of the amendment of “IAS 12 – International Tax Reform – Pillar II Model Rules”, the Group has applied the mandatory temporary exemption to requirements regarding deferred taxes deriving from the application of Pillar II. The Group will recognize the taxes emerging from the application of the rules as current taxes when they are incurred (see note 25 “Deferred tax assets and liabilities”).

5. Argentina – Hyperinflationary economy: impact of the application of IAS 29

As from July 1, 2018, the Argentine economy has been considered hyperinflationary based on the criteria established by “IAS 29 – Financial Reporting in Hyperinflationary Economies”. This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of a cumulative inflation rate of more than 100% over the previous three years.

For the purposes of preparing the consolidated financial statements at December 31, 2023, and in accordance with IAS 29, certain items of the statements of financial position of the investees in Argentina have been remeasured by applying the general consumer price index to historical data in order to reflect changes in the purchasing power of the Argentine peso at the reporting date for those companies.

Bearing in mind that the Enel Group acquired control of the Argentine companies on June 25, 2009, the remeasurement of the non-monetary financial statement figures was conducted by applying the inflation indices starting from that date. In addition to being already reflected in the opening statement of financial position, the accounting effects of that remeasurement also include changes during the period. More specifically, the effect of the remeasurement of non-monetary items, the equity items and the income statement items recognized in 2023 was recognized in a specific line of the income statement under financial income and expense. The associated tax effect was recognized in taxes for the year.

In order to also take account of the impact of hyperinflation on the exchange rate of the local currency, the income state-

ment balances expressed in the hyperinflationary currency have been translated into the Group's presentation currency (euro) applying, in accordance with IAS 21, the closing exchange rate rather than the average rate for the year in order to adjust these amounts to present values.

The cumulative changes in the general price indices from December 31, 2018 until December 31, 2023 are shown in the following table:

Periods	Cumulative change in general consumer price index
From July 1, 2009 to December 31, 2018	346.30%
From January 1, 2019 to December 31, 2019	54.46%
From January 1, 2020 to December 31, 2020	35.41%
From January 1, 2021 to December 31, 2021	49.73%
From January 1, 2022 to December 31, 2022	97.08%
From January 1, 2023 to December 31, 2023	222.01%

In 2023, the application of IAS 29 generated net financial income (gross of tax) of €284 million.

The following tables report the effects of IAS 29 on the balance at December 31, 2023 and the impact of hyperinflation on the main income statement items for 2023, differentiating between that concerning the revaluation on the basis of the general consumer price index and that due to the application of the closing exchange rate rather than the average exchange rate for the period, in accordance with the provisions of IAS 21 for hyperinflationary economies.

Millions of euro					
	Cumulative hyperinflation effect at Dec. 31, 2022	Hyperinflation effect for the period	Exchange differences	Change in the consolidation scope for disposal of entities	Cumulative hyperinflation effect at Dec. 31, 2023
Total assets	1,989	917	(1,567)	(45)	1,294
Total liabilities	555	314	(424)	(7)	438
Equity	1,434	603 ⁽¹⁾	(1,143)	(38)	856

(1) The figure includes profit for year equal to €110 million.

Millions of euro			
	IAS 29 effect	IAS 21 effect	Total effect at Dec. 31, 2023
Revenue	278	(588)	(310)
Costs	352 ⁽¹⁾	(641) ⁽²⁾	(289)
Operating profit	(74)	53	(21)
Net financial income/(expense)	(39)	16	(23)
Net income/(expense) from hyperinflation	284	-	284
Pre-tax profit/(loss)	171	69	240
Income taxes	61	126	187
Profit/(Loss) for the year (owners of the Parent and non-controlling interests)	110	(57)	53
Attributable to owners of the Parent	68	(83)	(15)
Attributable to non-controlling interests	42	26	68

(1) Includes impact on depreciation, amortization and impairment losses of €55 million.

(2) Includes impact on depreciation, amortization and impairment losses of €(27) million.

6. Climate change disclosures

The move towards “net zero” is under way worldwide and the processes of decarbonization and electrification of the global economy are crucial to avoiding the serious consequences of an increase in temperatures of over 1.5 °C.

With this outlook, the Group has set its strategic guidelines as follows:

- allocate capital to support a decarbonized electricity supply;
- enable the electrification of customers’ energy demand;
- leverage the creation of value along the value chain;
- bring forward achievement of the sustainable “net-zero” goals to 2040.

Considering the risks related to climate change and the commitments established under the Paris Agreement, the Group has decided to achieve the carbon neutrality objectives

in advance and reflect its impact on assets, liabilities, and profit or loss, highlighting its significant and foreseeable impacts as required under the Conceptual Framework of the international accounting standards.

In this regard, in accordance with the provisions of the document published by the IFRS Foundation in July 2023, the Group provides explicit information in the notes to these consolidated financial statements regarding how climate change is reflected in our accounts.

For a more effective and comprehensive communication concerning climate change disclosures prepared as part of the notes to these consolidated financial statements, we have mapped this disclosure as shown below, providing references to the various sections where issues associated with climate change are addressed:

Topic	Note	Content
Estimates and judgments concerning climate change	Note 2.1 “Use of estimates and management judgment”	<ul style="list-style-type: none"> • Reference to management’s use of estimates and judgments with regard to climate change (taking account of their materiality within financial reporting). • Focus on estimating expected cash flows from specific assets/CGUs (section: “Impairment of non-financial assets”). • Focus of the effects of the Group’s commitments under the Paris Agreement and their impact on the estimation of the useful life of the assets involved (section “Determining the useful life of non-financial assets”).
Sustainable investment	Note 19 “Property, plant and equipment”	<ul style="list-style-type: none"> • Focus on infrastructure associated with the development of the grid and investment in expanding the e-Mobility, e-City and e-Home businesses.
Measurement of non-financial assets	Note 12.e “Depreciation, amortization and other impairment losses” Note 19 “Property, plant and equipment” Note 24 “Goodwill”	<ul style="list-style-type: none"> • Focus on the effects related to the commitments of the Group in line with the Paris Agreement with regard to the measurement of non-financial assets, with particular regard to the residual useful life of certain assets and impairment testing.
Provisions	Note 40 “Provisions for risks and charges”	<ul style="list-style-type: none"> • Focus on provisions for the impact of climate change on distribution grids and generation plants, including those for decommissioning and restoration of sites, and possible provisions for restructuring plans linked to the energy transition.
Sustainability-linked finance at Enel	Note 48.3 “Borrowings” Note 60 “Events after the reporting period”	<ul style="list-style-type: none"> • Focus on: <ul style="list-style-type: none"> – issues of sustainability-linked bonds connected with the achievement of sustainability objectives in line with the SDGs issued by the United Nations – green bonds used to finance specific sustainable Group projects and initiatives – sustainable loans connected with the achievement of the Sustainable Development Goals (SDGs).
Share-based payments	Note 53 “Share-based payments”	<ul style="list-style-type: none"> • Description of long-term incentive plans anchored to achievement of specific climate-related targets.
Environmental programs	Note 58 “Environmental programs”	<ul style="list-style-type: none"> • Description of costs relating to environmental compliance required by national and international regulations. • Description of costs generated by not having sufficient environmental certificates to meet environmental compliance regulations.

7. Discontinued operations

Within the “Europe” area, the Enel Group has decided to divest certain major business lines, particularly in Russia, Romania and Greece.

Due to the fact that all discontinued assets represent a significant part of a geographical area in which the Group operates, the results relating to these assets have been classified in accordance with the provisions of IFRS 5 in a separate line of the consolidated income statement denominated “Profit/(Loss) from discontinued operations”.

In accordance with the provisions of IFRS 5, which governs the presentation in the financial statements of profit or loss and the disclosures to be provided in the explanatory note on non-current assets held for sale and discontinued operations, the income statement below reports the results of discontinued operations for 2023 and 2022.

The items are shown net of intercompany transactions which have been completely eliminated.

Millions of euro			
	2023	2022	Change
Revenue	2,535	3,543	(1,008)
Costs	2,341	4,815	(2,474)
Operating profit/(loss)	194	(1,272)	1,466
Financial income/(expense)	(62)	(43)	(19)
Share of profit/(loss) of equity-accounted investments ⁽¹⁾	58	83	(25)
Pre-tax profit/(loss) from discontinued operations	190	(1,232)	1,422
Income taxes	29	(52)	81
Profit/(Loss) Russia, Greece and Romania	161	(1,180)	1,341
Capital gains/(losses) from disposal of discontinued operations	(532)	(1,054)	522
Profit/(Loss) from discontinued operations	(371)	(2,234)	1,863

(1) The figure for 2022 has been adjusted to reflect the classification of the “Share of profit/(loss) of equity-accounted investments” referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to “discontinued operations”.

The breakdown by country is as follows.

Millions of euro								
	2023	Russia	Greece	Romania	2022 ⁽¹⁾	Russia ⁽¹⁾	Greece	Romania
Total revenue	2,535	-	122	2,413	3,543	290	125	3,128
Costs	2,126	-	75	2,051	3,585	243	70	3,272
Impairment	215	-	-	215	1,230	534	-	696
Total costs	2,341	-	75	2,266	4,815	777	70	3,968
Operating profit/(loss)	194	-	47	147	(1,272)	(487)	55	(840)
Financial income/(expense)	(62)	-	(49)	(13)	(43)	(9)	(35)	1
Share of profit/(loss) of equity-accounted investments	58	58	-	-	83	64	19	-
Pre-tax profit/(loss) from discontinued operations	190	58	(2)	134	(1,232)	(432)	39	(839)
Current income taxes	67	-	8	59	(15)	8	2	(25)
Deferred income taxes	(38)	-	-	(38)	(37)	-	-	(37)
Income taxes	29	-	8	21	(52)	8	2	(62)
Profit/(Loss) Russia, Greece and Romania	161	58	(10)	113	(1,180)	(440)	37	(777)
Capital gains/(losses) from disposal of discontinued operations	(532)	(124)	262	(670)	(1,054)	(1,054)	-	-
Profit/(Loss) from discontinued operations	(371)	(66)	252	(557)	(2,234)	(1,494)	37	(777)

(1) The figure for 2022 has been adjusted to reflect the classification of the “Share of profit/(loss) of equity-accounted investments” referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to “discontinued operations”.

In accordance with the provisions of IFRS 5, the facts and circumstances that led to the reclassification are described below.

Russia

On October 12, 2022, Enel SpA closed the sale of the entire stake held in PJSC Enel Russia. Upon completion of the sale, Enel sold all power generation assets in Russia, which include approximately 5.6 GW of conventional capacity and approximately 300 MW of wind capacity at various stages of development, ensuring continuity for its employees and customers.

Furthermore, on December 20, 2023, Enel SpA sold the entire stake it held in Rusenergosbyt LLC for €83 million. The operation had a negative impact of €124 million, of which €82 million related to the release of the translation reserve.

Romania

Following the agreements of December 14, 2022, February 4, 2023 and March 9, 2023, on October 25, 2023 Enel SpA finalized the sale to the Greek company Public Power Corporation SA (PPC) of all the equity stakes held by Enel Group in Romania.

In accordance with the terms of the agreement, PPC paid a total of €1,241 million. An earn-out mechanism is also foreseen concerning a potential further post-closing payment, based on the future value of the retail business.

The overall transaction had a negative impact on the Group's net profit of about €847 million, of which €655 million reflecting the release of a currency translation reserve, €15 million in respect of transaction costs connected with the sale and the recognition of €177 million net of taxation in impairment losses on the assets prior to the sale.

For more information, please see note 9 "Main acquisitions and disposals during the year".

Greece

Following the agreement of July 26, 2023, on December 29, 2023, Enel Green Power (EGP) finalized the sale of 50% of Enel Green Power Hellas (EGPH), EGP's fully-owned renewable subsidiary in Greece, to Macquarie Asset Management, acting through the Macquarie Green Investment Group Renewable Energy Fund 2, following the fulfillment of all the conditions customary for this type of transaction, including receipt of clearance from competent antitrust authorities.

In line with the above agreement, the total price received by EGP was €351 million.

Following the transaction's closing, EGP and Macquarie Asset Management entered into a shareholder agreement which envisages the joint control of EGP in order to co-manage the company's current renewable generation portfolio alongside continuing to develop its project pipeline, further increasing its installed capacity.

The transaction generated a positive impact on Group profit of €422 million (including the remeasurement at fair value of the residual interest).

For more information, please see [note 9 "Main acquisitions and disposals during the year"](#).

For more details on the financial position by business line and geographical area of assets classified as discontinued operations, please see the section "[Performance by primary segment \(Business Line\) and secondary segment \(Geographical Area\)](#)".

The details of cash flows relating to discontinued operations are provided below, as already separately shown in the cash flow statement.

Millions of euro			
	2023	2022	Change
Cash flows from operating activities - discontinued operations	132	(391)	523
Cash flows used in investing activities - discontinued operations	(442)	(351)	(91)
Cash flows from/(used in) financing activities - discontinued operations	(16)	656	(672)
Cash flows - discontinued operations	(326)	(86)	(240)

8. Restatement of comparative disclosures

The 2022 statement of consolidated financial position has been adjusted to take account of the effects of the amendment to IAS 12 in effect for annual reporting periods beginning on or after January 1, 2023, which clarifies

that the exemption from initial recognition provided for by the standard no longer applies to transactions that give rise to taxable and deductible temporary differences of the same amount, such as leases and decommissioning.

Impact on the consolidated financial position

Millions of di euro

ASSETS	at Dec. 31, 2022	IAS 12	at Dec. 31, 2022 restated
Non-current assets			
Property, plant and equipment	88,521	-	88,521
Investment property	94	-	94
Intangible assets	17,520	-	17,520
Goodwill	13,742	-	13,742
Deferred tax assets	10,925	250	11,175
Equity-accounted investments	1,281	-	1,281
Non-current financial derivative assets	3,970	-	3,970
Non-current contract assets	508	-	508
Other non-current financial assets	8,359	-	8,359
Other non-current assets	2,486	-	2,486
	<i>[Total]</i>	250	147,656
Current assets			
Inventories	4,853	-	4,853
Trade receivables	16,605	-	16,605
Current contract assets	106	-	106
Tax assets	561	-	561
Current financial derivative assets	14,830	-	14,830
Other current financial assets	13,753	-	13,753
Other current assets	4,314	-	4,314
Cash and cash equivalents	11,041	-	11,041
	<i>[Total]</i>	-	66,063
Assets classified as held for sale	6,149	6	6,155
TOTAL ASSETS	219,618	256	219,874

Millions of euro

	at Dec. 31, 2022	IAS 12	at Dec. 31, 2022 restated
LIABILITIES AND EQUITY			
Equity attributable to owners of the Parent			
Share capital	10,167	-	10,167
Treasury share reserve	(47)	-	(47)
Other reserves	2,740	-	2,740
Retained earnings	15,797	(2)	15,795
[Total]	28,657	(2)	28,655
Non-controlling interests	13,425	-	13,425
Total equity	42,082	(2)	42,080
Non-current liabilities			
Long-term borrowings	68,191	-	68,191
Employee benefits	2,202	-	2,202
Provisions for risks and charges (non-current portion)	6,055	-	6,055
Deferred tax liabilities	9,542	252	9,794
Non-current financial derivative liabilities	5,895	-	5,895
Non-current contract liabilities	5,747	-	5,747
Other non-current financial liabilities	-	-	-
Other non-current liabilities	4,246	-	4,246
[Total]	101,878	252	102,130
Current liabilities			
Short-term borrowings	18,392	-	18,392
Current portion of long-term borrowings	2,835	-	2,835
Provisions for risks and charges (current portion)	1,325	-	1,325
Trade payables	17,641	-	17,641
Income tax liabilities	1,623	-	1,623
Current financial derivative liabilities	16,141	-	16,141
Current contract liabilities	1,775	-	1,775
Other current financial liabilities	853	-	853
Other current liabilities	11,713	-	11,713
[Total]	72,298	-	72,298
Liabilities included in disposal groups classified as held for sale	3,360	6	3,366
Total liabilities	177,536	258	177,794
TOTAL LIABILITIES AND EQUITY	219,618	256	219,874

The 2022 consolidated income statement and statement of consolidated comprehensive income have been adjusted to take account of the presentation in discontinued operations, as required by the "IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations", of the

investment held in Rusenergosbyt LLC, which was sold in the 4th Quarter of 2023.

For more details, please see [note 7 "Discontinued operations"](#).

Impact on the consolidated income statement

Millions of euro			
	2022	IFRS 5	2022 restated
Revenue	140,517	-	140,517
Costs	131,689	-	131,689
Net results from commodity contracts	2,365	-	2,365
Operating profit	11,193	-	11,193
Financial income from derivatives	3,118	-	3,118
Other financial income	3,430	-	3,430
Financial expense from derivatives	3,414	-	3,414
Other financial expense	5,880	-	5,880
Net income from hyperinflation	290	-	290
Share of profit/(loss) of equity-accounted investments	4	(64)	(60)
Pre-tax profit	8,741	(64)	8,677
Income taxes	3,523	-	3,523
Profit/(Loss) from continuing operations	5,218	(64)	5,154
Attributable to owners of the Parent	3,637	(64)	3,573
Attributable to non-controlling interests	1,581	-	1,581
Profit/(Loss) from discontinued operations	(2,298)	64	(2,234)
Attributable to owners of the Parent	(1,955)	64	(1,891)
Attributable to non-controlling interests	(343)	-	(343)
Profit/(Loss) for the year (owners of the Parent and non-controlling interests)	2,920	-	2,920

Impact on the statement of consolidated comprehensive income

Millions of euro			
	2022	IFRS 5	2022 restated
Profit for the year	2,920	-	2,920
Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss (net of taxes)			
Effective portion of change in the fair value of cash flow hedges	(1,677)	-	(1,677)
Change in the fair value of hedging costs	(70)	-	(70)
Share of the other comprehensive income of equity-accounted investments	233	-	233
Change in the fair value of financial assets at FVOCI	(44)	-	(44)
Change in translation reserve	944	15	959
Cumulative other comprehensive income that may be subsequently reclassified to profit or loss in respect of non-current assets and disposal groups classified as held for sale/discontinued operations	(63)	(15)	(78)
Other comprehensive income/(expense) that may not be subsequently reclassified to profit or loss (net of taxes)			
Remeasurement of net liabilities/(assets) for defined benefit plans	303	-	303
Change in the fair value of equity investments in other companies	13	-	13
Cumulative other comprehensive income that may not be subsequently reclassified to profit or loss in respect of non-current assets and disposal groups classified as held for sale/discontinued operations	21	-	21
Total other comprehensive expense for the year	(340)	-	(340)
Comprehensive income/(expense) for the year	2,580	-	2,580
Attributable to:			
- owners of the Parent	1,658	-	1,658
- non-controlling interests	922	-	922

The figures presented in the comments and the tables of the notes to these consolidated financial statements

at December 31, 2023 are uniform and comparable with each other.

Changes in the consolidation scope

9. Main acquisitions and disposals during the year

In the two periods under review, the consolidation scope changed as a result of a number of transactions.

2022

- On January 3, 2022, Enel Produzione SpA acquired 100% of ERG Hydro Srl (subsequently renamed Enel Hydro Appennino Centrale Srl and merged into Enel Produzione SpA on December 1, 2022), owner of generation plants with an installed capacity of about 527 MW and an annual output of approximately 1.5 TWh, for a consideration of about €1,267 million; in December 2022, the identification of the fair value of the acquired assets and liabilities was completed, with the recognition of goodwill of approximately €349 million.
- On June 30, 2022, Enel Green Power SpA sold to Al Rayyan Holding LLC (controlled by the Qatar Investment Authority) 50% of its stake in EGP Matimba NewCo 1 Srl, indirect owner of six companies in South Africa with an installed capacity of about 740 MW, for about €108 million, which has been paid in full.
- On July 25, 2022, Enel X Srl sold to Mooney SpA, for about €140 million, settled in the form of financial receivables, its entire stake in Enel X Financial Services, CityPoste Payment, PayTipper and Junia Insurance and their subsidiaries.
- On August 24, 2022, Enel Brasil SA, a subsidiary of Enel Américas, closed the sale of its entire stake in CGTF – Central Geradora Termelétrica Fortaleza SA to ENEVA SA for a consideration of about €89 million. The transaction had a negative impact on profit or loss of about €210 million.
- On October 12, 2022, Enel finalized the sale of its entire stake in PJSC Enel Russia, equal to 56.43% of the latter's share capital, to PJSC Lukoil and the Closed Combined Mutual Investment Fund "Gazprombank-Frezia", for a total of about €137 million. The transaction had a negative impact on reported Group net income of around €1.5 billion, mainly reflecting the release of a currency translation of about €1 billion and an impairment adjustment of €497 million.
- On December 9, 2022, Enel Chile SA finalized the sale of its entire 99.09% stake in the share capital of listed Chilean power transmission company Enel Transmisión Chile SA to Sociedad Transmisora Metropolitana SpA, controlled by Inversiones Grupo Saesa Ltda, for about €1.3 billion. The transaction generated a capital gain of about €1.1 billion.
- On December 22, 2022, Enel closed the sale of a 50% quota in its wholly-owned subsidiary Gridspertise Srl to the international private equity fund CVC Capital Partners Fund VIII for a total of approximately €300 million. The transaction involved the recognition of a capital gain of €261 million and the remeasurement to fair value of the residual holding in the amount of €259 million.
- On December 29, 2022, Enel Brasil SA, a subsidiary of Enel Américas SA, finalized the sale of its entire stake in the Brazilian power distribution company Celg Distribuição SA – Celg-D (Enel Goiás), equal to about 99.9% of the latter's share capital, to Equatorial Participações e Investimentos SA, a subsidiary of Equatorial Energia SA, for a total of about €1.5 billion (of which about €269 million for the equity portion and about €1.2 billion as repayment of intercompany loans). The transaction had a negative impact on profit or loss of about €1 billion, mainly reflecting the release of a currency translation reserve associated with the net assets sold.

2023

- On February 17, 2023, the Enel Group, through its subsidiary Enel Argentina, closed the deal for the sale to energy company Central Puerto SA of the Group's stake in the thermal generation company Enel Generación Costanera for €42 million, which have been collected in full. The transaction resulted in the recognition of a capital loss of €132 million.
- On April 14, 2023, the Enel Group completed the sale to YPF and Pan American Sur SA of the shares held in Inversora Dock Sud SA and Central Dock Sud SA, for a total of €48 million. The transaction had a negative impact on profit or loss of about €194 million.
- On September 29, 2023, the Enel Group, acting through its subsidiary Enel Green Power SpA, finalized the sale of 50% of the two companies that own all of the Group's renewables operations in Australia, specifically Enel

Green Power Australia (Pty) Ltd and Enel Green Power Australia Trust, to INPEX Corporation, for a total of €142 million. The operation resulted in the recognition of a gain of €103 million.

- On October 25, 2023, Enel SpA and its listed subsidiary Enel Chile SA closed the sale of their entire equity interests in the share capital of Arcadia Generación Solar SA, a Chilean company which owns a portfolio of four operating PV plants for a total installed capacity of approximately 416 MW, to Sonnedix, an international renewable energy producer, for a total of €535 million. The transaction resulted in the recognition of a capital gain of €195 million.
- On October 25, 2023, the Enel Group finalized the sale

to the Greek company Public Power Corporation SA of all the equity stakes held by the Enel Group in Romania, for a total of €1,241 million. The transaction had a negative impact on profit or loss of the year of €847 million, of which €655 million reflecting the release of a currency translation reserve.

- On December 29, 2023, Enel SpA, acting through its fully-owned subsidiary Enel Green Power SpA, finalized the sale of 50% of Enel Green Power Hellas, Enel Green Power's fully-owned renewable subsidiary in Greece, to Macquarie Asset Management, for a total of €351 million. The overall transaction had a positive impact on the profit or loss of the Group in 2023 of €422 million.

Other changes

In addition to the above changes in the consolidation scope, the following transactions, although they do not represent transactions involving the acquisition or loss of control, gave rise to a change in the interest held by the Group in the investees.

- On November 24, 2023, the Enel Group, acting through the subsidiary Endesa Generación SAU, finalized the sale of the entire investment in Tecnatom SA for a total

of €26 million. The transaction had no impact on profit or loss.

- On December 20, 2023, Enel SpA sold its entire stake in Rusenergosbyt LLC for a total of €83 million. The transaction had a negative impact of €124 million on Group profit, of which €82 million reflecting the release of a currency translation reserve.

Sale of Enel Generación Costanera

On February 17, 2023, the Enel Group sold its stake in the thermal generation company Enel Generación Costanera for €42 million, collected in full.

Millions of euro	
Sale price	42
Total net assets sold	(39)
Release of OCI reserve	(135)
Gain/(Loss) on sale	(132)

Sale of Inversora Dock Sud SA and Central Dock Sud SA

On April 14, 2023, the Enel Group completed the sale of shares held in the thermal generation companies Inverso-

ra Dock Sud SA and Central Dock Sud SA for €48 million, collected in full.

Millions of euro	
Sale price	48
Total net assets sold	(48)
Release of OCI reserve	(194)
Gain/(Loss) on sale	(194)

Sale of 50% of Enel Green Power Australia

On September 29, 2023, the Enel Group, acting through its subsidiary Enel Green Power SpA, finalized the sale of 50% of the two companies that own all of the Group's renewables operations in Australia, specifically Enel Green

Power Australia (Pty) Ltd and Enel Green Power Australia Trust, to INPEX Corporation, for a total of €142 million, collected in full.

Millions of euro	
Sale price	142
Total net assets sold	(63)
Release of OCI reserve	(55)
Gain/(Loss) on sale	24
Fair value remeasurement of residual interest (50%)	79
Income from sale	103

Sale of Arcadia Generación Solar

On October 25, 2023, Enel SpA and its subsidiary Enel Chile SA finalized the sale of their entire stakes in Arcadia

Generación Solar SA to Sonnedix, for a total consideration of €535 million, which have been collected in full.

Millions of euro	
Sale price	535
Total net assets sold	(314)
Release of OCI reserve	21
Transaction costs	(1)
Goodwill	(46)
Gain/(Loss) on sale	195

The transaction had a tax effect of €68 million.

Sale of Romanian operations

On October 25, 2023, the Enel Group finalized the sale to the Greek company Public Power Corporation SA of all the

equity stakes held in Romania, for a total consideration of €1,241 million, collected in full.

Millions of euro	
Sale price	1,241
Total net assets sold	(1,241)
Release of OCI reserve	(655)
Transaction costs	(15)
Gain/(Loss) on sale	(670)
<i>Adjustment of pre-sale plant value</i>	<i>(215)</i>
<i>Tax on value adjustment</i>	<i>38</i>
Financial impact	(847)

Sale of 50% of Enel Green Power Hellas

On December 29, 2023, Enel SpA, acting through its fully-owned subsidiary Enel Green Power SpA, finalized the sale of 50% of Enel Green Power Hellas, Enel Green Pow-

er's fully-owned renewable subsidiary in Greece, to Macquarie Asset Management, for a total consideration of €351 million, collected in full.

Millions of euro	
Sale price	351
Total net assets sold	(86)
Transaction costs	(3)
Gain/(Loss) on sale	262
Fair value remeasurement of residual interest (50%)	160
Income from sale	422

10. Performance and financial position by primary segment (Business Line) and secondary segment (Geographical Area)

The representation of performance and financial position presented here is based on the approach used by management in monitoring Group performance for the two periods under review. In particular, management monitors and reports on performance by business line. Accordingly, the Group has adopted the following reporting sectors:

- primary segment: Business Line;
- secondary segment: Geographical Area.

The business line is therefore the main discriminant in the analyses performed and decisions taken by the management of the Enel Group, and is fully consistent with the internal reporting prepared for these purposes since the results are measured and evaluated first and foremost for each business line and only thereafter are they broken down by geographical area.

In this regard, note that the organizational simplification process begun in 2023 led to a restructuring of the business lines and geographical areas, with a consequent need to redefine the segments subject to disclosure in order to present the results of the segments based on the

approach used by management to monitor and present the Group's performance to investors.

In particular, in the presentation of figures by primary segment (Business Line):

- the figures for Enel X, which in the year ended December 31, 2022 had been presented separately, are now reported under End-user Markets;
- the figures for Enel X Way, which in the year ended December 31, 2022 had been presented under Holding, Services and Other, are now reported under End-user Markets.

In the presentation of figures by secondary segment (Geographical Area), the figures for Latin America, Europe, North America, and Africa, Asia and Oceania have merged into the "Rest of the World" area.

Following these changes, the figures for the previous year have been adjusted for comparative purposes only.

Performance by primary segment (Business Line)

Results for 2023⁽¹⁾

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	20,152	8,459	17,206	49,748	-	95,565	-	95,565
Revenue and other income from transactions with other segments	20,038	3,161	3,053	2,371	2,045	30,668	(30,668)	-
Total revenue	40,190	11,620	20,259	52,119	2,045	126,233	(30,668)	95,565
Total costs	35,140	6,377	12,798	46,038	2,659	103,012	(30,668)	72,344
Net results from commodity contracts	(1,983)	(65)	-	(923)	5	(2,966)	-	(2,966)
Depreciation and amortization	775	1,603	2,957	785	233	6,353	-	6,353
Impairment losses	161	1,552	168	1,439	18	3,338	-	3,338
Impairment gains	(49)	(19)	(90)	(108)	(2)	(268)	-	(268)
Operating profit/(loss)	2,180	2,042	4,426	3,042	(858)	10,832	-	10,832
Capital expenditure	761⁽²⁾	5,345⁽³⁾	5,280⁽⁴⁾	1,138⁽⁵⁾	190⁽⁶⁾	12,714	-	12,714

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €14 million regarding units classified as held for sale or discontinued operations.

(3) Does not include €565 million regarding units classified as held for sale or discontinued operations.

(4) Does not include €233 million regarding units classified as held for sale or discontinued operations.

(5) Does not include €34 million regarding units classified as held for sale or discontinued operations.

(6) Does not include €3 million regarding units classified as held for sale or discontinued operations.

Results for 2022⁽¹⁾

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Revenue and other income from third parties	53,239	6,669	19,806	60,785	18	140,517	-	140,517
Revenue and other income from transactions with other segments	23,096	2,498	3,226	3,565	2,032	34,417	(34,417)	-
Total revenue	76,335	9,167	23,032	64,350	2,050	174,934	(34,417)	140,517
Total costs	71,189	5,873	13,918	64,143	2,225	157,348	(34,384)	122,964
Net results from commodity contracts	551	183	-	1,595	(5)	2,324	41	2,365
Depreciation and amortization	802	1,456	2,852	747	229	6,086	-	6,086
Impairment losses	562	53	1,047	1,296	-	2,958	-	2,958
Impairment gains	(52)	(2)	(117)	(148)	-	(319)	-	(319)
Operating profit/(loss)	4,385	1,970	5,332	(93)	(409)	11,185	8	11,193
Capital expenditure	990⁽²⁾	6,386⁽³⁾	5,547⁽⁴⁾	1,205⁽⁵⁾	219	14,347	-	14,347

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €2 million regarding units classified as held for sale or discontinued operations.

(3) Does not include €42 million regarding units classified as held for sale or discontinued operations.

(4) Does not include €110 million regarding units classified as held for sale or discontinued operations.

(5) Does not include €2 million regarding units classified as held for sale or discontinued operations.

Performance by secondary segment (Geographical Area)

Results for 2023⁽¹⁾

Millions of euro	Italy	Iberia	Rest of the World	Latin America	Europe	North America	Africa, Asia and Oceania	Eliminations Rest of the World	Other, eliminations and adjustments	Total
Revenue and other income from third parties	49,145	25,418	20,927	18,569	234	2,129	335	(340)	75	95,565
Revenue and other income from transactions with other segments	182	10	354	7	5	13	3	326	(546)	-
Total revenue	49,327	25,428	21,281	18,576	239	2,142	338	(14)	(471)	95,565
Total costs	38,792	18,578	15,091	13,563	80	1,262	200	(14)	(117)	72,344
Net results from commodity contracts	233	(3,171)	(38)	181	-	(220)	1	-	10	(2,966)
Depreciation and amortization	2,325	1,911	1,931	1,389	2	491	49	-	186	6,353
Impairment losses	824	558	1,879	452	2	1,425	-	-	77	3,338
Impairment gains	(22)	(197)	(48)	(43)	(1)	-	(4)	-	(1)	(268)
Operating profit/(loss)	7,641	1,407	2,390	3,396	156	(1,256)	94	-	(606)	10,832
Capital expenditure	5,763⁽²⁾	2,305	4,419⁽³⁾	3,302⁽⁴⁾	2⁽⁵⁾	1,096⁽⁶⁾	19⁽⁷⁾	-	227	12,714

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €337 million regarding units classified as held for sale or discontinued operations.

(3) Does not include €512 million regarding units classified as held for sale or discontinued operations.

(4) Does not include €180 million regarding units classified as held for sale or discontinued operations.

(5) Does not include €210 million regarding units classified as held for sale or discontinued operations.

(6) Does not include €1 million regarding units classified as held for sale or discontinued operations.

(7) Does not include €121 million regarding units classified as held for sale or discontinued operations.

Results for 2022⁽¹⁾

Millions of euro	Italy	Iberia	Rest of the World	Latin America	Europe	North America	Africa, Asia and Oceania	Eliminations Rest of the World	Other, eliminations and adjustments	Total
Revenue and other income from third parties	83,337	32,725	23,476	21,329	82	2,208	266	(409)	979	140,517
Revenue and other income from transactions with other segments	171	108	398	5	5	6	-	382	(677)	-
Total revenue	83,508	32,833	23,874	21,334	87	2,214	266	(27)	302	140,517
Total costs	81,880	25,388	16,149	14,811	66	1,126	174	(28)	(453)	122,964
Net results from commodity contracts	4,679	(2,215)	(95)	56	6	(148)	(9)	-	(4)	2,365
Depreciation and amortization	2,209	1,784	1,900	1,393	2	430	75	-	193	6,086
Impairment losses	886	478	1,577	1,553	1	18	5	-	17	2,958
Impairment gains	(39)	(271)	(7)	(7)	-	-	-	-	(2)	(319)
Operating profit/(loss)	3,251	3,239	4,160	3,640	24	492	3	1	543	11,193
Capital expenditure	4,640	2,316	7,168⁽²⁾	4,289⁽³⁾	224⁽⁴⁾	2,491	164⁽⁵⁾	-	223⁽⁶⁾	14,347

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments.

(2) Does not include €138 million regarding units classified as held for sale or discontinued operations.

(3) Does not include €94 million regarding units classified as held for sale or discontinued operations.

(4) Does not include €4 million regarding units classified as held for sale or discontinued operations.

(5) Does not include €40 million regarding units classified as held for sale or discontinued operations.

(6) Does not include €18 million regarding units classified as held for sale or discontinued operations.

Financial position by primary segment (Business Line)

At December 31, 2023

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	8,340	42,757	40,490	1,142	793	93,522	(13)	93,509
Intangible assets	271	5,555	20,188	4,926	443	31,383	-	31,383
Non-current and current contract assets	20	17	484	169	2	692	(1)	691
Trade receivables	7,287	3,471	7,771	8,373	792	27,694	(9,711)	17,983
Other	5,736	290	2,738	2,489	3,134	14,387	(6,268)	8,119
Operating assets	21,654⁽¹⁾	52,090⁽²⁾	71,671⁽³⁾	17,099⁽⁴⁾	5,164⁽⁵⁾	167,678	(15,993)	151,685
Trade payables	6,741	3,797	4,174	9,418	1,014	25,144	(8,986)	16,158
Non-current and current contract liabilities	112	271	7,515	59	7	7,964	(95)	7,869
Sundry provisions	3,468	979	3,348	742	1,208	9,745	(63)	9,682
Other	3,833	1,606	9,817	4,327	4,740	24,323	(6,164)	18,159
Operating liabilities	14,154⁽⁶⁾	6,653⁽⁷⁾	24,854⁽⁸⁾	14,546⁽⁹⁾	6,969⁽¹⁰⁾	67,176	(15,308)	51,868

(1) Of which €640 million regarding units classified as held for sale or discontinued operations.

(2) Of which €2,254 million regarding units classified as held for sale or discontinued operations.

(3) Of which €2,469 million regarding units classified as held for sale or discontinued operations.

(4) Of which €84 million regarding units classified as held for sale or discontinued operations.

(5) Of which €9 million regarding units classified as held for sale or discontinued operations.

(6) Of which €142 million regarding units classified as held for sale or discontinued operations.

(7) Of which €265 million regarding units classified as held for sale or discontinued operations.

(8) Of which €207 million regarding units classified as held for sale or discontinued operations.

(9) Of which €19 million regarding units classified as held for sale or discontinued operations.

(10) Of which €3 million regarding units classified as held for sale or discontinued operations.

At December 31, 2022

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Property, plant and equipment	8,530	41,519	40,377	760	642	91,828	(3)	91,825
Intangible assets	397	5,723	20,035	4,975	467	31,597	-	31,597
Non-current and current contract assets	-	50	500	109	6	665	(1)	664
Trade receivables	7,667	3,730	5,706	9,003	1,197	27,303	(9,567)	17,736
Other	7,928	540	2,551	3,262	2,463	16,744	(7,891)	8,853
Operating assets	24,522⁽¹⁾	51,562⁽²⁾	69,169⁽³⁾	18,109⁽⁴⁾	4,775⁽⁵⁾	168,137	(17,462)	150,675
Trade payables	8,034	4,173	4,297	9,396	1,205	27,105	(9,042)	18,063
Non-current and current contract liabilities	95	323	7,527	91	9	8,045	(81)	7,964
Sundry provisions	3,979	921	3,263	488	1,088	9,739	(68)	9,671
Other	3,475	1,802	6,691	7,055	4,434	23,457	(7,903)	15,554
Operating liabilities	15,583⁽⁶⁾	7,219⁽⁷⁾	21,778⁽⁸⁾	17,030⁽⁹⁾	6,736⁽¹⁰⁾	68,346	(17,094)	51,252

(1) Of which €188 million regarding units classified as held for sale or discontinued operations.

(2) Of which €2,146 million regarding units classified as held for sale or discontinued operations.

(3) Of which €1,994 million regarding units classified as held for sale or discontinued operations.

(4) Of which €1,241 million regarding units classified as held for sale or discontinued operations.

(5) Of which €32 million regarding units classified as held for sale or discontinued operations.

(6) Of which €92 million regarding units classified as held for sale or discontinued operations.

(7) Of which €308 million regarding units classified as held for sale or discontinued operations.

(8) Of which €866 million regarding units classified as held for sale or discontinued operations.

(9) Of which €801 million regarding units classified as held for sale or discontinued operations.

(10) Of which €15 million regarding units classified as held for sale or discontinued operations.

Financial position by secondary segment (Geographical Area)

At December 31, 2023

Millions of euro	Italy	Iberia	Rest of the World	Latin America	Europe	North America	Africa, Asia and Oceania	Eliminations Rest of the World	Other, eliminations and adjustments	Total
Property, plant and equipment	34,361	23,527	35,524	22,273	3	12,790	458	-	97	93,509
Intangible assets	3,122	16,178	11,397	10,771	26	482	118	-	686	31,383
Non-current and current contract assets	90	80	520	473	2	40	5	-	1	691
Trade receivables	8,819	4,011	5,302	4,978	29	244	78	(27)	(149)	17,983
Other	4,281	2,375	1,706	1,393	13	271	31	(2)	(243)	8,119
Operating assets	50,673⁽¹⁾	46,171	54,449⁽²⁾	39,888⁽³⁾	73	13,827⁽⁴⁾	690⁽⁵⁾	(29)	392	151,685
Trade payables	9,001	2,888	5,011	4,075	30	849	79	(22)	(742)	16,158
Non-current and current contract liabilities	4,318	3,537	47	47	-	-	-	-	(33)	7,869
Sundry provisions	3,078	3,177	2,686	2,529	1	134	21	1	741	9,682
Other	6,913	3,556	6,219	4,205	37	1,932	48	(3)	1,471	18,159
Operating liabilities	23,310⁽⁶⁾	13,158	13,963⁽⁷⁾	10,856⁽⁸⁾	68	2,915⁽⁹⁾	148⁽¹⁰⁾	(24)	1,437	51,868

- (1) Of which €631 million regarding units classified as held for sale or discontinued operations.
(2) Of which €4,801 million regarding units classified as held for sale or discontinued operations.
(3) Of which €4,541 million regarding units classified as held for sale or discontinued operations.
(4) Of which €242 million regarding units classified as held for sale or discontinued operations.
(5) Of which €18 million regarding units classified as held for sale or discontinued operations.
(6) Of which €155 million regarding units classified as held for sale or discontinued operations.
(7) Of which €481 million regarding units classified as held for sale or discontinued operations.
(8) Of which €477 million regarding units classified as held for sale or discontinued operations.
(9) Of which €3 million regarding units classified as held for sale or discontinued operations.
(10) Of which €1 million regarding units classified as held for sale or discontinued operations.

At December 31, 2022

Millions of euro	Italy	Iberia	Rest of the World	Latin America	Europe	North America	Africa, Asia and Oceania	Eliminations Rest of the World	Other, eliminations and adjustments	Total
Property, plant and equipment	30,327	23,167	38,220	21,099	2,397	13,722	1,002	-	111	91,825
Intangible assets	3,200	16,173	11,596	10,534	331	602	129	-	628	31,597
Non-current and current contract assets	73	9	576	493	48	19	16	-	6	664
Trade receivables	7,086	4,369	6,470	5,037	1,127	268	66	(28)	(189)	17,736
Other	4,947	2,929	2,105	1,498	294	250	63	-	(1,128)	8,853
Operating assets	45,633⁽¹⁾	46,647	58,967⁽²⁾	38,661⁽³⁾	4,197⁽⁴⁾	14,861	1,276⁽⁵⁾	(28)	(572)	150,675
Trade payables	9,595	3,220	6,652	4,813	483	1,261	119	(24)	(1,404)	18,063
Non-current and current contract liabilities	4,188	3,351	479	35	443	-	1	-	(54)	7,964
Sundry provisions	3,008	3,458	2,576	2,378	69	97	32	-	629	9,671
Other	4,323	3,144	7,076	4,480	637	1,893	66	-	1,011	15,554
Operating liabilities	21,114⁽⁶⁾	13,173	16,783⁽⁷⁾	11,706⁽⁸⁾	1,632⁽⁹⁾	3,251	218⁽¹⁰⁾	(24)	182	51,252

- (1) Of which €253 million regarding units classified as held for sale or discontinued operations.
(2) Of which €4,968 million regarding units classified as held for sale or discontinued operations.
(3) Of which €307 million regarding units classified as held for sale or discontinued operations.
(4) Of which €4,108 million regarding units classified as held for sale or discontinued operations.
(5) Of which €553 million regarding units classified as held for sale or discontinued operations.
(6) Of which €64 million regarding units classified as held for sale or discontinued operations.
(7) Of which €1,737 million regarding units classified as held for sale or discontinued operations.
(8) Of which €99 million regarding units classified as held for sale or discontinued operations.
(9) Of which €1,584 million regarding units classified as held for sale or discontinued operations.
(10) Of which €54 million regarding units classified as held for sale or discontinued operations.

The following table reconciles segment assets and liabilities and the consolidated figures.

Millions of euro		
	at Dec. 31, 2023	at Dec. 31, 2022
Total assets	195,224	219,874
Equity-accounted investments	1,650	1,281
Non-current financial derivative assets	2,383	3,970
Other non-current financial assets	8,750	8,359
Non-current tax assets included in "Other non-current assets"	1,487	1,674
Other current financial assets	4,329	13,753
Current financial derivative assets	6,407	14,830
Cash and cash equivalents	6,801	11,041
Deferred tax assets ⁽¹⁾	9,218	11,175
Tax assets	2,016	2,159
Financial and tax assets of "Assets classified as held for sale" ⁽¹⁾	498	957
Segment assets	151,685	150,675
Total liabilities	150,115	177,794
Long-term borrowings	61,085	68,191
Non-current financial derivative liabilities	3,373	5,895
Other non-current financial liabilities	8	-
Short-term borrowings	4,769	18,392
Current portion of long-term borrowings	9,086	2,835
Other current financial liabilities	909	853
Current financial derivative liabilities	6,461	16,141
Deferred tax liabilities ⁽¹⁾	8,217	9,794
Income tax liabilities	1,573	1,623
Other tax liabilities	1,034	1,048
Financial and tax liabilities of "Liabilities included in disposal groups classified as held for sale" ⁽¹⁾	1,732	1,770
Segment liabilities	51,868	51,252

(1) Figures at December 31, 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

Information on the consolidated income statement

Revenue

11.a Revenue from sales and services – €92,882 million

Millions of euro				
	2023	2022	Change	
Sale of electricity	52,465	69,340	(16,875)	-24.3%
Transport of electricity	11,123	11,096	27	0.2%
Fees from network operators	1,142	979	163	16.6%
Transfers from institutional market operators	1,570	1,667	(97)	-5.8%
Sale of gas	7,983	8,970	(987)	-11.0%
Transport of gas	68	80	(12)	-15.0%
Sale of fuel	3,458	5,605	(2,147)	-38.3%
Fees for connection to electricity and gas networks	877	826	51	6.2%
Construction contracts	995	1,672	(677)	-40.5%
Sale of environmental certificates	283	111	172	-
Sale of value-added services	1,653	1,384	269	19.4%
Other sales and services	866	918	(52)	-5.7%
Total IFRS 15 revenue	82,483	102,648	(20,165)	-19.6%
Sale of commodities under contracts with physical settlement	8,875	37,247	(28,372)	-76.2%
Gain/(Loss) on the measurement of commodity sales contracts with physical settlement closed during the period	1,508	(4,260)	5,768	-
Other revenue	16	18	(2)	-11.1%
Total revenue from sales and services	92,882	135,653	(42,771)	-31.5%

Revenue from the “sale of electricity” amounted to €52,465 million, a decrease of €16,875 million compared with the previous year (-24.3%). The decrease mainly reflected lower sales volumes against a background of decreasing electricity sales prices, mainly in Italy (€9,873 million) and Spain (€6,916 million), reflecting the stabilization of markets.

“Transfers from institutional market operators” increased by €163 million compared with the previous year, mainly reflecting an increase in transfers in Italy (€334 million), primarily relating to the remuneration of the capacity market and the plan to maximize thermal generation from plants powered by alternative fuels to gas required by the Ministry of the Environment and Energy Security (MASE), which included a number of Enel Produzione SpA plants. The item was offset by a decrease in transfers in Argentina (€139 million) and Peru (€28 million).

Revenue from the “sale of gas” in 2023 amounted to €7,983 million (€8,970 million in 2022), a decrease of €987 million compared with the previous year. The decrease is mainly attributable to a decrease in prices and the number of customers in Spain (€1,101 million), offset by the adjust-

ment of offers to market prices (through indexation or restructuring of contract conditions), partly offset by greater sales in Italy (€272 million).

Revenue from the “sale of fuel” decreased by €2,147 million due to decreasing gas sales prices in trading operations. This was partially offset by higher sales in Spain.

Revenue from “construction contracts” came to €995 million, a decrease of €677 million, attributable to the decline in development work on the distribution grid operated on concession basis in Brazil and mainly to the change in the Group consolidation scope following the disposal of Celg Distribuição SA – Celg-D (Enel Goiás) in December 2022.

Revenue from “sale of environmental certificates” came to €283 million, up €172 million. The increase is mainly attributable to higher sales of CO₂ allowances by Endesa Generación (€166 million).

“Sale of value-added services” came to €1,653 million, an increase of €269 million, mainly attributable to greater revenue from the sale of energy efficiency products and services connected with the maintenance, consulting,

repair and installation of energy efficient products in the e-Home and *Vivi Meglio* segments of Enel X in Italy (€123 million), and greater revenue from the sale of value-added services in North America (€55 million) and Colombia (€21 million).

The decrease in revenue from the “sale of commodities under contracts with physical settlement”, measured at

fair value through profit or loss within the scope of IFRS 9 (€28,372 million), mainly regards the sale of gas and reflects a decrease in prices as well as in volumes handled.

The following table shows the net results on contracts for the sale or purchase of commodities with physical settlement measured at fair value through profit or loss within the scope of IFRS 9.

Millions of euro				
	2023	2022	Change	
Fair value gain/(loss) on contracts for energy commodities with physical settlement (within the scope of IFRS 9) closed in the period				
Sales contracts				
Sale of electricity	1,550	5,436	(3,886)	-71.5%
Fair value gain/(loss) on closed contracts	281	(795)	1,076	-
Total electricity	1,831	4,641	(2,810)	-60.5%
Sale of gas	7,271	30,924	(23,653)	-76.5%
Fair value gain/(loss) on closed contracts	1,114	(3,600)	4,714	-
Total gas	8,385	27,324	(18,939)	-69.3%
Sale of emissions allowances	4	875	(871)	-99.5%
Fair value gain/(loss) on closed contracts	109	131	(22)	-16.8%
Total emissions allowances	113	1,006	(893)	-88.8%
Sale of guarantees of origin	50	12	38	-
Fair value gain/(loss) on closed contracts	4	4	-	-
Total guarantees of origin	54	16	38	-
Total revenue	10,383	32,987	(22,604)	-68.5%
Purchase contracts				
Purchase of electricity	2,884	6,161	(3,277)	-53.2%
Fair value gain/(loss) on closed contracts	570	(200)	770	-
Total electricity	3,454	5,961	(2,507)	-42.1%
Purchase of gas	8,063	33,092	(25,029)	-75.6%
Fair value gain/(loss) on closed contracts	1,370	(1,940)	3,310	-
Total gas	9,433	31,152	(21,719)	-69.7%
Purchase of emissions allowances	624	843	(219)	-26.0%
Fair value gain/(loss) on closed contracts	(31)	132	(163)	-
Total emissions allowances	593	975	(382)	-39.2%
Purchase of guarantees of origin	101	25	76	-
Fair value gain/(loss) on closed contracts	32	3	29	-
Total guarantees of origin	133	28	105	-
Total costs	13,613	38,116	(24,503)	-64.3%
Net revenue/(costs) on contracts for energy commodities with physical settlement (within the scope of IFRS 9) closed in the period	(3,230)	(5,129)	1,899	37.0%
Gain/(Loss) from measurement of outstanding contracts for energy commodities with physical settlement (within the scope of IFRS 9)				
Sales contracts				
Electricity	226	(134)	360	-
Gas	136	4,841	(4,705)	-97.2%
Emissions allowances	23	490	(467)	-95.3%
Guarantees of origin	4	(15)	19	-
Total	389	5,182	(4,793)	-92.5%
Purchase contracts				
Electricity	254	(124)	378	-
Gas	586	3,879	(3,293)	-84.9%
Emissions allowances	19	627	(608)	-97.0%
Guarantees of origin	67	(72)	139	-
Total	926	4,310	(3,384)	-78.5%
Gain/(Loss) from measurement of outstanding contracts for energy commodities with physical settlement (within the scope of IFRS 9)	(537)	872	(1,409)	-
Total net revenue/(costs) on contracts with physical settlement (within the scope of IFRS 9)	(3,767)	(4,257)	490	11.5%

Revenue from contracts with customers (IFRS 15) breaks down into “point in time” and “over time” revenue as indicated in the following table.

Millions of euro	2023									
	Italy		Iberia		Rest of the World		Other, eliminations and adjustments		Total	
	Over time	Point in time	Over time	Point in time	Over time	Point in time	Over time	Point in time	Over time	Point in time
Total IFRS 15 revenue	36,982	1,169	23,063	1,973	17,887	1,342	13	54	77,945	4,538

Millions of euro	2022									
	Italy		Iberia		Rest of the World		Other, eliminations and adjustments		Total	
	Over time	Point in time	Over time	Point in time	Over time	Point in time	Over time	Point in time	Over time	Point in time
Total IFRS 15 revenue	47,650	2,068	30,984	1,425	19,061	1,307	10	143	97,705	4,943

The table below gives a breakdown of revenue from sales and services by geographical segment.

Millions of euro		
	2023	2022
Italy	39,724	57,859
Europe		
Iberia	21,799	30,535
France	1,919	3,086
Switzerland	1,936	6,791
Germany	1,028	1,676
Austria	75	189
Slovenia	10	146
Romania	4	3
Greece	6	15
Belgium	13	834
Czech Republic	180	321
Hungary	13	7
Netherlands	145	38
United Kingdom	4,523	11,841
Other European countries	2,299	1,551
Americas		
United States	864	779
Canada	62	53
Mexico	315	313
Brazil	7,621	9,064
Chile	4,369	4,434
Peru	1,565	1,449
Colombia	3,248	2,725
Argentina	613	966
Panama	200	177
Costa Rica	17	17
Guatemala	81	83
Other		
Africa	96	132
Asia	119	521
Oceania	38	48
Total	92,882	135,653

Performance obligations

The following table provides information about the Group's performance obligations arising from contracts with customers with reference to the main revenue streams only, with a summary of the specific judgments made and the

related revenue recognition policies.

For information on the use of estimates with revenue from contracts with customers, please see note 2.1 "Use of estimates and management judgment".

Type of product/service	Nature and timing of satisfaction of performance obligation	Accounting policies
Sale of electricity produced by the Group	<p>In order to determine the nature of the promise contained in these contracts with customers for the sale of electricity, the Group carefully analyzes the facts and circumstances applicable to each contract.</p> <p>For the sale of electricity on power exchanges, the facts and circumstances (including the intrinsic characteristics of the commodity, contractual terms, information regarding infrastructure and other delivery mechanisms) generally indicate that the performance obligation is a service in which the customer simultaneously receives and consumes the benefits of the commodity as it is delivered. Thus, the Group identifies a performance obligation satisfied over time as part of a series of distinct goods/services (i.e. each unit of commodity) that are substantially the same and have the same pattern of transfer to the customer.</p>	<p>The Group applies an output method to recognize revenue from the sale of electricity on power exchanges, recognized over time, so as to recognize revenue in the amount to which it has a right to invoice the customer if that amount corresponds directly with the value to the customer of the performance completed to date, i.e. at the price defined in the market (without variable consideration).</p>
Network connection services	<p>The network connection fees received from customers for connecting them to the electricity/gas distribution networks require a specific Group assessment to take into consideration all terms and conditions of the connection arrangements. This assessment is intended to determine whether the contract includes other distinct goods or services, such as for example the right to obtain ongoing access to the infrastructure in order to receive the commodity or, when the connection fee is a "non-refundable up-front fee" paid at or near contract inception, a material right that gives rise to a performance obligation. In particular, in some countries in which the Group operates, it has determined that the nature of the consideration received represents a "non-refundable up-front fee" whose payment provides a material right to the customer. In order to determine if the period over which this material right should be recognized extends beyond the initial contractual period, the Group takes into consideration the applicable local legal and regulatory framework applicable to the contract and affecting the parties. In such cases, if there is an implied assignment of the material right and an obligation from the initial customer to the new customer, the Group recognizes the connection fee over a period beyond the relationship with the initial customer, considering the concession terms as the period during which the initial customer and any future customer can benefit from the ongoing access without paying an additional connection fee. As a consequence, the fee is recognized over the period for which the payment creates an obligation for the Group to make the lower prices available to future customers (i.e. the period during which the customer is expected to benefit from the ongoing access service without having to pay an "up-front fee" upon renewal).</p>	<p>Revenue from monetary and in-kind fees for connection to the electricity and gas distribution network is recognized on the basis of the satisfaction of the performance obligations included in the contract. The identification of distinct goods or services requires a careful analysis of the terms and conditions of the connection arrangements, which could vary from country to country based on the local context, regulations and law. In order to finalize this assessment, the Group considers not only the characteristics of the goods/services themselves (i.e. the good or service is capable of being distinct) but also the implied promises for which the customer has a valid expectation as it views those promises as part of the negotiated exchange, that is goods/services that the customer expects to receive and has paid for (i.e. the promise to transfer the good or service to the customer is separately identifiable from other promises in the contract). Furthermore, the Group acts as an agent in some contracts for electricity/gas network connection services and other related activities, depending on local legal and regulatory framework. In such cases, it recognizes revenue on a net basis, corresponding to any fee or commission to which it expects to be entitled.</p>
Sale/transport of electricity/gas to end users	<p>An electricity/gas supply agreement signed with an end user includes a single performance obligation (sale and transport of the commodity) because the Group has determined that the contract does not provide distinct goods/services and the promise is satisfied by transferring control over the commodity to the customer when it is delivered at the point of delivery. In order to determine the nature of the promise included in such contracts, the Group carefully analyzes the facts and circumstances applicable to each contract and commodity. However, the Group considers that the performance obligation provided for in a repetitive service contract, such as a supply contract for the provision of electricity/gas to end users, is typically satisfied over time (because the customer simultaneously receives and consumes the benefits of the commodity as it is delivered) as part of a series of distinct goods/services (i.e. each unit of commodity) that are substantially the same and have the same pattern of transfer to the customer.</p>	<p>The Group applies an output method to recognize revenue from the sale and transport of electricity/gas to end users, so as to recognize revenue in the amount to which it has a right to invoice the customer if that amount corresponds directly with the value to the customer of the performance completed to date, i.e. the quantities provided during the period, even if these have not yet been invoiced; this revenue is determined using estimates as well as periodic meter readings. Where applicable, this revenue is based on the rates and related restrictions established by law or by the Regulatory Authority for Energy, Networks and the Environment (ARERA) and analogous foreign authorities during the applicable period.</p>

Construction contracts	The construction contracts typically include a performance obligation satisfied over time. For these contracts, the Group generally considers it appropriate to use an input method for measuring progress, except when a specific contract analysis suggests the use of an alternative method that better depicts the Group's performance obligation fulfilled at the reporting date.	For construction contracts that include a performance obligation satisfied over time, the Group recognizes revenue over time by measuring progress toward the complete satisfaction of that performance obligation. The cost-to-cost method is generally considered the best method to depict the Group's performance obligation fulfilled at the reporting date. The amount due from customers under a construction contract is presented as a contract asset; the amount due to customers under a construction contract is presented as a contract liability.
Service concession arrangements (within the scope of IFRIC 12)	The Group, as concession holder, provides services for the construction/upgrade of the infrastructure used for the provision of public services and/or services for the operation and maintenance of the infrastructure itself for the period of the concession. For performance obligations related to infrastructure construction and improvement, please refer to the section "Construction contracts". As far as revenue from operating services are concerned, please refer to the sections "Sale of electricity produced by the Group" and "Sale/transport of electricity/gas to end users".	When the Group provides construction/upgrade services, it recognizes intangible assets and/or financial assets, depending on the characteristics of the service concession arrangement. The amounts received or receivable relating to both components are initially recognized as revenue from contracts with customers. For more details on revenue recognition, please refer to the section "Construction contracts". Furthermore, the component recognized in profit or loss deriving from the remeasurement at fair value of the financial assets in respect of service concession agreements for the distribution business in Brazil is also classified as revenue, in order to adequately reflect the business model in line with the related concession agreement. Revenues from management and maintenance activities are recognized as revenue from the sale of electricity on the market or to end users (please refer to sections "Sale of electricity produced by the Group" and "Sale/transport of electricity/gas to end users", respectively).

11.b Other income – €2,683 million

Millions of euro				
	2023	2022	Change	
Grants for environmental certificates ⁽¹⁾	346	220	126	57.3%
Other operating grants	9	28	(19)	-67.9%
Capital grants (electricity and gas business)	28	28	-	-
Sundry reimbursements	314	314	-	-
Gains on the disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	584	1,876	(1,292)	-68.9%
Gains on the disposal of property, plant and equipment, and intangible assets	44	64	(20)	-31.3%
Service continuity bonuses	13	31	(18)	-58.1%
Other income	1,345	2,303	(958)	-41.6%
Total	2,683	4,864	(2,181)	-44.8%

(1) For more on "Grants for environmental certificates", please see note 58 "Environmental programs".

Gains on the disposal of entities amounted to €584 million in 2023, mainly reflecting the recognition by Enel CIEN (in Brazil) of €99 million for the end-of-concession indemnity received for the takeover of the concession by another entity, the overall income of €103 million from the partial sale with loss of control of assets held in Australia, the gain on the sale of Arcadia Generación Solar (€195 million) and the remeasurement at fair value of the residual interest in Enel Green Power Hellas (€160 million).

In 2022, the item mainly included the recognition of gains on the disposal by Enel X International of 1.1% of the investment in Ufinet (€220 million), the sale by Enel X Srl of

financial companies to Mooney (€67 million), the sale of 50% of the investment held by Enel Grids in Gridspertise (€520 million) and the sale of Enel Chile's interest in Enel Transmisión Chile.

"Other income" decreased by €958 million, mainly due to the decrease of income of Enel Generación Chile (€456 million), mainly in respect of the contractual agreement with Shell, the modification of which generated an increase in 2022; the decrease in the income connected with the electricity business recognized in Argentina (€219 million) following the agreements concluded in 2022 be-

tween Edesur and the local authorities, as well as the decrease in Enel Green Power North America in income from tax partnerships (€127 million).

The following tables show a breakdown of total revenue by business line based on the approach used by management to monitor the Group's performance during the two years being compared.

Millions of euro	2023							
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total reporting segment	Eliminations and adjustments	Total
Total IFRS 15 revenue	26,354	9,982	19,719	51,630	2,004	109,689	(27,206)	82,483
Sale of commodities under contracts with physical settlement	12,374	-	-	6	-	12,380	(3,505)	8,875
Gain/(Loss) on the measurement of commodity sales contracts with physical settlement closed during the period	1,504	-	-	4	-	1,508	-	1,508
Other revenue	6	3	18	1	16	44	(28)	16
Total revenue from sales and services	40,238	9,985	19,737	51,641	2,020	123,621	(30,739)	92,882
Other income	(48)	1,635	522	478	25	2,612	71	2,683
TOTAL REVENUE	40,190	11,620	20,259	52,119	2,045	126,233	(30,668)	95,565

Millions of euro	2022							
	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets ⁽¹⁾	Holding and Services ⁽¹⁾	Total reporting segment	Eliminations and adjustments	Total
Total IFRS 15 revenue	37,154	7,863	20,854	63,476	1,993	131,340	(28,692)	102,648
Sale of commodities under contracts with physical settlement	42,667	-	-	26	-	42,693	(5,446)	37,247
Gain/(Loss) on the measurement of commodity sales contracts with physical settlement closed during the period	(4,240)	-	-	(20)	-	(4,260)	-	(4,260)
Other revenue	-	6	13	1	22	42	(24)	18
Total revenue from sales and services	75,581	7,869	20,867	63,483	2,015	169,815	(34,162)	135,653
Other income	754	1,298	2,165	867	35	5,119	(255)	4,864
TOTAL REVENUE	76,335	9,167	23,032	64,350	2,050	174,934	(34,417)	140,517

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

Costs

12.a Electricity, gas and fuel – €46,270 million

Millions of euro				
	2023	2022	Change	
Electricity	24,098	47,155	(23,057)	-48.9%
- of which purchases under contracts with physical settlement (IFRS 9)	2,884	6,161	(3,277)	-53.2%
Gas	16,583	47,930	(31,347)	-65.4%
- of which purchases under contracts with physical settlement (IFRS 9)	8,063	33,092	(25,029)	-75.6%
Fair value gain/(loss) on contracts for purchase of electricity and gas with physical settlement closed during the period	1,940	(2,140)	4,080	-
Nuclear fuel	99	111	(12)	-10.8%
Other fuels	3,550	3,840	(290)	-7.6%
Total	46,270	96,896	(50,626)	-52.2%

“Electricity” purchases decreased due to a decrease in volumes purchased and a decline in average prices compared with the previous year, mainly attributable to Italy (€17,942 million) and Spain (€4,833 million).

The decrease in costs for “gas” purchases mainly reflects the decrease in average prices for gas purchases, which also had a significant impact on the measurement of contracts with physical settlement, as well as the decrease in volumes handled, mainly in Italy and Spain.

The item also includes charges of €515 million recognized

related to the settlement of an arbitration dispute with a Qatari gas supplier in Spain.

Results of the fair value measurement of purchases of gas under contracts with physical settlement closed increased by €4,080 million compared with the previous year, of which €3,311 million attributable to gas and €769 million to electricity.

The decrease in “other fuels” is mainly attributable to the decrease in volumes purchased.

12.b Services and other materials – €18,304 million

Millions of euro				
	2023	2022	Change	
Wheeling	7,781	8,247	(466)	-5.7%
Maintenance and repairs	1,134	1,067	67	6.3%
Telephone and postal costs	168	181	(13)	-7.2%
Communication services	120	117	3	2.6%
IT services	840	872	(32)	-3.7%
Leases and rentals	534	503	31	6.2%
Other services	4,980	5,707	(727)	-12.7%
Environmental certificates not used for compliance	1,002	963	39	4.0%
- of which purchases under contracts with physical settlement (IFRS 9)	725	868	(143)	-16.5%
Fair value gain/(loss) on contracts for purchase of environmental certificates with physical settlement closed during the period	1	135	(134)	-99.3%
Change in inventories of environmental certificates	(593)	(97)	(496)	-
Other materials	2,337	2,533	(196)	-7.7%
Total	18,304	20,228	(1,924)	-9.5%

Costs for services and other materials amounted to €18,304 million in 2023, a decrease of €1,924 million compared with 2022. This change essentially reflected:

- a decrease of €466 million in costs for “wheeling”,

mainly due to lower volumes in Italy and lower prices in Spain;

- a decrease of €727 million in “other services” essentially reflecting the decrease in costs for services connected

- with the electricity and gas business (€371 million) and those related to concessions in Brazil (€353 million);
- a decrease in costs of environmental certificates, including the change in inventories, essentially related to

lower purchases of CO₂ allowances;

- a decrease in “other materials” mainly attributable to procurement costs due to changes in the consolidation scope.

12.c Personnel expenses – €5,030 million

Millions of euro				
	2023	2022	Change	
Wages and salaries	3,498	3,442	56	1.6%
Social security contributions	903	924	(21)	-2.3%
Italian post-employment benefits	114	107	7	6.5%
Post-employment and other long-term benefits	67	73	(6)	-8.2%
Early retirement incentives	42	(20)	62	-
Early retirement incentives connected with restructuring agreements	214	(151)	365	-
Other costs	192	195	(3)	-1.5%
Total	5,030	4,570	460	10.1%

Personnel expenses in 2023 amounted to €5,030 million, an increase of €460 million.

The Group's workforce decreased by 4,069 employees, mainly reflecting the negative balance between new hires and terminations (201 employees) adding to negative changes in the consolidation scope (-3,868 employees), essentially attributable to:

- the sale of Enel Generación Costanera SA in Argentina;
- the sale of Central Dock Sud SA in Argentina;
- the sale of Usme ZE SAS and Fontibón ZE SAS in Colombia;
- the sale of Avikiran Solar India Private Limited in India;
- the sale of Enel Green Power Australia in Australia;
- the sale of all Romanian companies;
- the sale of Enel Green Power Hellas and all companies in Greece.

The increase in “wages and salaries” substantially reflects the cost incurred as a result of new hiring at companies in Italy, Spain, Chile and Colombia.

The €6 million decrease in “post-employment and other long-term benefits” is mainly attributable to Latin America and Spain.

The increase in “early retirement incentives” and “early retirement incentives connected with restructuring agreements” is mainly attributable to an increase in costs in Spain, following the €177 million adjustment of the provision for the *Acuerdo Voluntario de Salida* (AVS) plan, and in Italy of the provision for restructuring and digitalization in respect of the framework agreement in application of Article 4, paragraphs 1-7-ter, of Law 92/2012 signed in 2021, which required a negative adjustment in 2022 and a positive adjustment in 2023, according to the developments of the period and changes underlying the actuarial assumptions.

The table below shows the average number of employees by category, along with a comparison with the previous year, and the headcount as of December 31, 2023.

No.	Average ⁽¹⁾		Headcount ⁽¹⁾
	2023	2022	at Dec. 31, 2023
Senior managers	1,374	1,389	1,310
Middle managers	12,589	12,528	12,389
Office staff	33,906	35,676	31,308
Blue collar	16,527	16,883	16,048
Total	64,396	66,476	61,055

(1) For companies consolidated on a proportionate basis, the headcount corresponds to Enel's percentage share of the total.

12.d Net impairment/(reversals) on trade receivables and other receivables – €1,334 million

Millions of euro				
	2023	2022	Change	
Impairment losses on trade receivables	1,384	1,375	9	0.7%
Impairment losses on other financial assets	162	169	(7)	-4.1%
Total impairment losses on trade receivables and other financial assets	1,546	1,544	2	0.1%
Impairment gains on trade receivables	(210)	(265)	55	20.8%
Impairment gains on other financial assets	(2)	(1)	(1)	-
Total impairment gains on trade receivables and other financial assets	(212)	(266)	54	20.3%
NET IMPAIRMENT/(REVERSALS) ON TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS	1,334	1,278	56	4.4%

The item, equal to €1,334 million, includes impairment losses and reversals on trade receivables and other finan-

cial assets. The net impairment losses on trade receivables are essentially in line with the previous year.

12.e Depreciation, amortization and other impairment losses – €8,089 million

Millions of euro				
	2023	2022	Change	
Property, plant and equipment	4,674	4,472	202	4.5%
Investment property	2	2	-	-
Intangible assets	1,677	1,612	65	4.0%
Other impairment losses	1,792	1,414	378	26.7%
Other reversals of impairment losses	(56)	(53)	(3)	-5.7%
Total	8,089	7,447	642	8.6%

The change in “depreciation, amortization and other impairment losses” essentially reflected:

- higher depreciation and amortization due to new capital expenditure, mainly in the sector of renewable energy and distribution;
- the impairment losses on a number of renewables generation companies (€1,268 million) in North America, mainly attributable to the deterioration in the outlook for certain markets, which was consolidated over the course of 2023, accompanied by a general deterioration in macroeconomic conditions as well as redefined strategic and restructuring plans in the area;
- impairment losses recognized in 2023 on the assets of Enel X and Enel X Way (totaling €126 million) in North America;
- the impairment loss of €171 million on the Windpeshi wind project in Colombia as it was classified as held for sale;
- the value adjustments in 2022 of the net assets of Celg Distribuição SA – Celg-D (Enel Goiás) (€827 million), CGT Fortaleza (€73 million) in Brazil, and net assets of Enel Generación Costanera SA (€174 million) and Central Dock Sud SA (€116 million) in Argentina.

12.f Other operating costs – €6,125 million

Millions of euro				
	2023	2022	Change	
System charges – Environmental certificates ⁽¹⁾	2,603	2,510	93	3.7%
Other costs connected with electrical and gas system	568	172	396	-
Other taxes and duties	1,529	1,107	422	38.1%
Capital losses and other costs on the disposal of equity investments	404	363	41	11.3%
Extraordinary solidarity levies	208	-	208	-
Other	813	533	280	52.5%
Total	6,125	4,685	1,440	30.7%

(1) For more on “System charges – Environmental certificates”, please see note 58 “Environmental programs”.

Other operating costs increased by €1,440 million compared with the previous year due to the following.

“Other costs connected with electrical and gas system” increased by €396 million, mainly due to:

- the increased impact of the *Bono Social* in Spain (€246 million), mainly attributable to the recognition in 2022 of an indemnity of €152 million following Supreme Court ruling no. 202/2022;
- an increase in indemnities and penalties connected with service quality in Italy provided for under the Regulatory Authority for Energy, Networks and Environment (ARERA) Resolution no. 566/2019/R/eel charged to distributors (€118 million).

“Other taxes and duties” increased by €422 million, mainly due to the clawback mechanism in Italy (€357 million) introduced with Decree Law 25 of March 28, 2022 and in Spain (€118 million) as a result of Royal Decree 17/2021. The change was partly offset by a decrease in charges for the occupation of public land in Spain (€76 million) as a result of a reduction in fees.

“Capital losses and other costs on the disposal of equity investments” in 2023 mainly include the capital losses on the disposal of Enel Generación Costanera (€132 million) and Central Dock Sud (€194 million) in Argentina and the price adjustment in respect of the disposal of Celg Distribuição SA – Celg-D (Enel Goiás) (€23 million). In 2022 the item mainly referred to capital losses recognized for the disposal of Enel Goiás (€208 million) and CGT Fortaleza (€135 million) in Brazil.

“Extraordinary solidarity levies” regard the extraordinary solidarity levy recognized, in 2023, in Spain (€208 million) following the approval of Law 38 of December 27, 2022.

The increase in “other” operating costs is mainly attributable to an increase in provisions for risks and charges recognized by Enel Insurance in response to claims connected with adverse weather events.

12.g Capitalized costs – €(3,385) million

Millions of euro				
	2023	2022	Change	
Personnel	(1,120)	(1,184)	64	5.4%
Materials	(1,338)	(1,258)	(80)	-6.4%
Other	(927)	(973)	46	4.7%
Total	(3,385)	(3,415)	30	0.9%

Capitalized costs are in line with the previous year.

13. Net results from commodity contracts – €(2,966) million

Millions of euro				
	2023	2022	Change	
Commodity derivatives				
- income from settled derivatives	7,315	23,124	(15,809)	-68.4%
- expense from settled derivatives	9,865	18,929	(9,064)	-47.9%
Net income/(expense) from settled commodity derivatives	(2,550)	4,195	(6,745)	-
- income from outstanding derivatives	(3,283)	(2,479)	(804)	-32.4%
- expense from outstanding derivatives	(3,404)	223	(3,627)	-
Net income/(expense) from outstanding commodity derivatives	121	(2,702)	2,823	-
Outstanding contracts for energy commodities with physical settlement				
- results from outstanding contracts to sell energy commodities with physical settlement	389	5,182	(4,793)	-92.5%
- results from outstanding contracts to purchase energy commodities with physical settlement	(926)	(4,310)	3,384	78.5%
Net results from outstanding contracts for energy commodities with physical settlement	(537)	872	(1,409)	-
NET RESULTS FROM COMMODITY CONTRACTS	(2,966)	2,365	(5,331)	-

Net results from commodity contracts showed net expense of €2,966 million in 2023 (net income of €2,365 million in 2022), and break down as follows:

- net expense from commodity derivatives totaling €2,429 million (net income of €1,493 million in 2022), including derivatives designated as cash flow hedges and derivatives measured at fair value through profit or loss. More specifically, net expense from derivatives settled in the period amounted to €2,550 million (net income of €4,195 million in 2022) and net income from the fair

value measurement of outstanding derivatives came to €121 million (net expense of €2,702 million in 2022);

- net expense from the fair value measurement through profit or loss of energy commodity contracts with physical settlement still outstanding at the reporting date amounting to €537 million (net income of €872 million in 2022).

For more information on derivatives, please see note 51 "Derivatives and hedge accounting".

14. Net financial income/(expense) from derivatives – €(609) million

Millions of euro				
	2023	2022	Change	
Income:				
- income from derivatives designated as hedging derivatives	756	1,442	(686)	-47.6%
- income from derivatives at fair value through profit or loss	802	1,676	(874)	-52.1%
Total income	1,558	3,118	(1,560)	-50.0%
Expense:				
- expense from derivatives designated as hedging derivatives	(1,254)	(1,744)	490	28.1%
- expense from derivatives at fair value through profit or loss	(913)	(1,670)	757	45.3%
Total expense	(2,167)	(3,414)	1,247	36.5%
NET FINANCIAL INCOME/(EXPENSE) FROM DERIVATIVES	(609)	(296)	(313)	-

In 2023 net expense from derivatives on interest and exchange rates amounted to €609 million (net expense of €296 million in 2022) and breaks down as follows:

- net expense from derivatives designated as hedging derivatives in the amount of €498 million (net expense

of €302 million in 2022) mainly in regard of cash flow hedges;

- net expense from derivatives at fair value through profit or loss in the amount of €111 million (net income of €6 million in 2022).

The net balances recognized in 2023 and 2022 on both hedging derivatives and those at fair value through profit or loss mainly referred to the hedging of exchange rate

risk. For more information on derivatives, please see [note 51 "Derivatives and hedge accounting"](#).

15. Net other financial income/(expense) – €(2,766) million

Other financial income

Millions of euro

	2023	2022	Change	
Interest income from financial assets (current and non-current):				
- interest income at effective rate on non-current financial assets	289	158	131	82.9%
- interest income at effective rate on current financial investments	335	201	134	66.7%
Total interest income at the effective interest rate	624	359	265	73.8%
Financial income on non-current financial assets designated at fair value through profit or loss	-	-	-	-
Exchange gains	1,807	2,289	(482)	-21.1%
Income on equity investments	3	1	2	-
Income from hyperinflation	1,575	1,739	(164)	-9.4%
Other income	482	781	(299)	-38.3%
TOTAL OTHER FINANCIAL INCOME	4,491	5,169	(678)	-13.1%

Other financial income amounted to €4,491 million, a decrease of €678 million on 2022. The change mainly reflects the following factors:

- a decrease in income from exchange gains (€482 million), mainly relating to Enel Finance International (€370 million) and Enel Global Trading (€82 million);
- a decrease in income from hyperinflation (€164 million), recognized by the Argentine companies as a result of the application of IAS 29 on financial reporting in hyperinflationary economies; for more information,

please see [note 5](#) of these consolidated financial statements at December 31, 2023;

- a decrease in other income mainly deriving from the value adjustment of hedged liabilities in fair value hedge relationships (€159 million), and the change in the consolidation scope relating to the disposal of Celg Distribuição SA - Celg-D (Enel Goiás) (€45 million);
- an increase in interest income at the effective rate (€265 million).

Other financial expense

Millions of euro

	2023	2022	Change	
Interest expense on financial debt (current and non-current):				
- interest on bank borrowings	987	509	478	93.9%
- interest expense on bonds	2,079	1,884	195	10.4%
- interest expense on other borrowings	451	235	216	91.9%
Total interest expense	3,517	2,628	889	33.8%
Financial expense on debt management transactions	7	-	7	-
Exchange losses	1,058	2,179	(1,121)	-51.4%
Adjustment to post-employment and other employee benefits	165	145	20	13.8%
Adjustment to other provisions	255	201	54	26.9%
Expense from equity investments	-	-	-	-
Expense from hyperinflation	1,291	1,449	(158)	-10.9%
Other expenses	964	727	237	32.6%
TOTAL OTHER FINANCIAL EXPENSE	7,257	7,329	(72)	-1.0%

Other financial expense amounted to €7,257 million, an overall decrease of €72 million compared with 2022 essentially reflecting the following factors:

- a decrease in expense from hyperinflation of €158 million, recognized by the Argentine companies as a result of the application of IAS 29 on financial reporting in hyperinflationary economies; for more information, please see note 5 of these consolidated financial statements at December 31, 2023;
- a decrease in expense on exchange losses of €1,121 million, mainly relating to Enel Finance International (€733 million) and Enel Global Trading (€217 million);
- an increase in interest expense of €889 million, mainly attributable to the increase in interest rates;
- an increase in other expenses mainly attributable to impairment losses on liabilities covered by fair value hedges (€126 million) and financial expense on the assignment of receivables (€102 million).

16. Share of profit/(loss) of equity-accounted investments – €(41) million

Millions of euro				
	2023	2022	Change	
Share of profit of associates ⁽¹⁾	68	81	(13)	-16.0%
Share of loss of associates	(109)	(141)	32	22.7%
Total⁽¹⁾	(41)	(60)	19	31.7%

(1) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

The share of the net loss of equity-accounted investments in 2023 came to €41 million, an increase of €19 million on 2022.

The change was essentially due to an increase in the share of profit/(loss) pertaining to the Group of Slovak Power

Holding (€65 million) and Gridspertise (€9 million), partly offset by the decrease in the share of profit/(loss) of Mooney (€18 million), PowerCrop (€22 million), Enel Green Power Australia (€7 million) and Compañía Eólica Tierras Altas (€7 million).

17. Income taxes – €2,778 million

Millions of euro				
	2023	2022	Change	
Current taxes	2,877	3,025	(148)	-4.9%
Adjustments for income taxes relating to prior years	(75)	(233)	158	67.8%
Total current taxes	2,802	2,792	10	0.4%
Deferred tax expense ⁽¹⁾	(197)	318	(515)	-
Deferred tax income ⁽¹⁾	173	413	(240)	-58.1%
TOTAL	2,778	3,523	(745)	-21.1%

(1) Figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

Income taxes for 2023 came to €2,778 million and decreased by €745 million compared with 2022.

The tax rate for 2023 came to 37%, compared with 41% in 2022.

The decrease mainly reflects the following factors:

- the impact of higher impairment and losses resulting from mergers and acquisitions in 2022 that were not tax deductible, essentially regarding Celg Distribuição SA – Celg-D (Enel Goiás) and CGT Fortaleza in Brazil;
- higher taxes recognized in 2022 in Italy in respect of the extraordinary energy cost tax, established by Law 51/2022 (about €121 million), and the solidarity tax from Law 197/2022 (about €599 million);
- the tax effect of hyperinflation in Argentina mainly attributable, in 2023, to the recognition for tax purposes of the increase in the value of assets adjusted for hyperinflation;
- an increase in tax credit to eliminate dual taxation of dividends at Enel Iberia in 2023.

These factors were partially offset by:

- the non-deductibility of the extraordinary solidarity levy in Spain;

- the reversal of the portion of deferred tax assets no longer considered recoverable in the United States, Mexico and Peru;
- the tax effect (€190 million) of the sale of interests in Ufinet, Gridspertise and the finance companies of the Enel X segment to Mooney in 2022.

For more information on changes in deferred tax assets and liabilities, please see [note 25](#).

The following table provides a reconciliation of the theoretical tax rate and the effective tax rate.

Millions of euro				
	2023		2022	
Pre-tax profit⁽¹⁾	7,416		8,677	
Theoretical taxes	1,780	24%	2,082	24%
Delta of tax effect on impairment adjustments and M&A transactions	195		420	
Preferential tax treatment of Ufinet, Gridspertise and Mooney capital gain	-		(190)	
Preferential tax treatment of disposals in Australia and Greece	(63)		-	
Deferred tax assets recognized on the carve-out of Enel X Way	-		(60)	
Patent Box in Italy	-		(65)	
Sundry tax effects of hyperinflation accounting in Argentina	(58)		30	
Tax effect of non-deductible provisions for risks in Spain	-		30	
Write-off of deferred tax assets for Enel Green Power Perú and Enel Generación Perú merger	25		-	
Write-off of deferred tax assets for the United States and Mexico	155		-	
IRAP	352		260	
Extraordinary energy cost tax	-		121	
Solidarity tax	-		599	
Non-deductibility of extraordinary solidarity levy in Spain	52		-	
Other differences, effect of different tax rates abroad compared with the theoretical rate in Italy, and other minor items	340		296	
Total	2,778		3,523	

(1) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

18. Basic and diluted earnings per share

Both of these indicators are calculated on the basis of the average number of ordinary shares for the year, equal to 10,166,679,946, adjusted by the average number of treasury shares held.

The number of treasury shares, with a par value of €1 each, held at December 31, 2023 was equal to 9,262,330 (7,153,795 at December 31, 2022).

Millions of euro		
	2023	2022
Profit for the year attributable to owners of the Parent (basic)	3,438	1,682
of which from:		
- continuing operations ⁽¹⁾	3,813	3,573
- discontinued operations ⁽¹⁾	(375)	(1,891)
Effect of preference rights on dividends (e.g., preference shares)	-	-
Dividends on equity instruments (e.g., hybrid bonds)	(182)	(123)
Other	-	-
Profit for the year attributable to ordinary owners of the Parent (basic)	3,256	1,559
of which from:		
- continuing operations ⁽¹⁾	3,631	3,450
- discontinued operations ⁽¹⁾	(375)	(1,891)
Number of shares (units)		
Number of ordinary shares issued at 1 January	10,166,679,946	10,166,679,946
Effect of treasury shares held	(7696,284)	(6,287,027)
Effect of share options exercised	422,896	145,119
Other	-	-
Weighted average number of ordinary shares outstanding (total) for basic earnings per share	10,159,406,558	10,160,538,038
Profit for the year attributable to ordinary owners of the Parent (basic)	3,256	1,559
Effect of dilution:		
- interest on convertible bonds	-	-
- other	-	-
Profit for the year attributable to ordinary owners of the Parent (diluted)	3,256	1,559
of which:		
- continuing operations	3,631	3,450
- discontinued operations	(375)	(1,891)
Number of shares (units)		
Weighted average number of ordinary shares outstanding (total) for basic earnings per share	10,159,406,558	10,160,538,038
Effect of conversion of convertible notes	-	-
Other	-	-
Weighted average number of ordinary shares outstanding (total) for diluted earnings per share	10,159,406,558	10,160,538,038
Basic earnings per share		
Basic earnings per share	0.32	0.15
Basic earnings per share from continuing operations	0.36	0.34
Basic earnings per share from discontinued operations	(0.04)	(0.19)
Diluted earnings per share		
Diluted earnings per share	0.32	0.15
Diluted earnings per share from continuing operations	0.36	0.34
Diluted earnings per share from discontinued operations	(0.04)	(0.19)

(1) The figure for 2022 has been adjusted to reflect the classification of the "Share of profit/(loss) of equity-accounted investments" referring to Rusenergo-sbyt LLC, a Russian company sold in December 2023, to "discontinued operations".

Information on the statement of consolidated financial position

19. Property, plant and equipment – €89,801 million

The breakdown of and changes in property, plant and equipment for 2023 is given below.

Millions of euro	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Leased assets	Leasehold improvements	Assets under construction and advances	Total
Cost net of accumulated impairment losses	629	11,606	165,370	572	1,439	4,021	547	13,964	198,148
Accumulated depreciation	-	5,719	100,685	409	1,147	1,259	408	-	109,627
Balance at Dec. 31, 2022	629	5,887	64,685	163	292	2,762	139	13,964	88,521
Capital expenditure	4	47	2,182	27	86	1	4	8,213	10,564
Assets entering service	31	1,189	6,085	6	56	4	29	(7,365)	35
Exchange differences	11	(22)	(933)	(1)	(26)	(23)	-	(464)	(1,458)
Change in the consolidation scope	2	8	33	-	-	(6)	-	3	40
Disposals	(2)	(2)	(106)	(1)	(31)	(63)	(1)	20	(186)
Depreciation	-	(219)	(3,857)	(23)	(81)	(337)	(34)	-	(4,551)
Impairment losses	(1)	(230)	(1,149)	-	-	-	-	(186)	(1,566)
Impairment gains	-	1	30	-	-	-	-	8	39
Leases	-	-	-	-	-	684	-	-	684
Other changes	(1)	(92)	879	(1)	6	3	(1)	460	1,253
Reclassifications from/to assets held for sale	(43)	(270)	(2,590)	(1)	(5)	(161)	-	(504)	(3,574)
Total changes	1	410	574	6	5	102	(3)	185	1,280
Cost net of accumulated impairment losses	630	12,084	167,123	592	1,456	4,318	572	14,149	200,924
Accumulated depreciation	-	5,787	101,864	423	1,159	1,454	436	-	111,123
Balance at Dec. 31, 2023	630	6,297	65,259	169	297	2,864	136	14,149	89,801

Plant and machinery included assets to be relinquished free of charge with a carrying amount of €9,538 million (€8,409 million at December 31, 2022), largely regarding power plants in Iberia and Latin America amounting to €4,068 million (€3,456 million at December 31, 2022) and the electricity distribution grid in Latin America totaling €4,470 million (€4,228 million at December 31, 2022).

For more information on “leased assets”, please see note 21 below.

Capital expenditure came to €11,919 million, of which 10,564 million in “property, plant and equipment”, and €1,355 million in “intangible assets” (for more details see note 23). The types of capital expenditure made during 2023 are summarized below by class of asset.

Millions of euro	2023	2022	Change	
Power plants:				
- thermal	550	659	(109)	-16.5%
- hydroelectric	458	435	23	5.3%
- geothermal	136	121	15	12.4%
- nuclear	163	134	29	21.6%
- alternative energy sources	3,444	5,147	(1,703)	-33.1%
Total power plants	4,751	6,496	(1,745)	-26.9%
Electricity distribution grids ⁽¹⁾	4,485	4,373	112	2.6%
Enel X (e-City, e-Industries, e-Home)	449	373	76	20.4%
Enel X Way (e-Mobility)	106	113	(7)	-6.2%
Retail customers	617	721	(104)	-14.4%
Other	1,511	1,097	414	37.7%
TOTAL	11,919	13,173	(1,254)	-9.5%

(1) The figure for 2023 does not include €795 million in respect of infrastructure investments within the scope of IFRIC 12 (€1,174 million in 2022).

The Enel Group, in line with the Paris Agreement on CO₂ emissions reductions and guided by energy efficiency and energy transition objectives, has invested above all in generation plants that exploit alternative energy sources. Capital expenditure on thermal generation plants decreased mainly in Latin America and Italy.

Capital expenditure on the distribution grid were substantial; in particular, higher investments in Italy, mainly for corrective maintenance and grid reliability, were partly offset by lower investments in Brazil, Romania, Peru, Argentina and Chile.

The decrease in capital expenditure in the Retail business in Italy, Spain and Romania is essentially attributable to a decrease in digitalization activities of operational processes in customer management.

The growth of capital expenditure of Enel X mainly regards the e-City and the Distributed Energy businesses in Italy and the e-City business in Brazil.

Impairment losses in 2023 amounted to €1,566 million, of which €1,234 million are attributable to the value adjustment of photovoltaic and wind plants in the United States, operating in a progressively deteriorating macroeconomic context and in local markets characterized by the persistence of disadvantageous conditions for the dispatching of power, as well as the initiation and implementation by management of specific restructuring plans in the country, which have had a significant impact on the recoverable values of those assets. The above circumstances constituted evidence of low margins, which, following IAS 36 impairment testing, indicate that their carrying amount cannot be completely recovered.

Impairment losses in 2023 also include value adjustments of thermal generation assets in the non-peninsular terri-

tories in Spain (€91 million), in line with the decarbonization process pursued by the Group, and the value adjustment of Windpeshi wind project in Colombia (€171 million) as a result of the implementation of a disposal program for the related assets, which prompted their classification as assets held for sale.

Impairment gains of €39 million mainly regards generation assets in Colombia of Sociedad Portuaria Central Cartagena SA, which had been written down in 2022 to reflect their realizable value.

“Reclassifications from/to assets held for sale” refer mainly to electricity distribution and supply assets held by Enel Distribución Perú SAA in Peru, generation assets held by Enel Generación Perú, Compañía Energética Veracruz, and Enel Generación Piura, a portfolio of renewables assets consisting of about 150 MW of geothermal and solar plants in North America, whose sale was finalized in January 2024, photovoltaic plants of Arcadia Generación Solar SA in Chile, sold during 2023, and the Windpeshi wind facility under development.

“Other changes” include the adjustment of plant decommissioning and site restoration costs, which decreased by €38 million, mainly in Spain, new leases of €684 million, impairment losses on the property, plant and equipment of the Argentine companies operating in a hyperinflationary economy in the amount of €872 million and the effect of capitalizing interest on loans specifically dedicated to capital expenditure on property, plant and equipment of €303 million (€251 million in 2022), breaking down as follows.

Millions of euro						
	2023	Rate %	2022	Rate %	Change	
EGP North America	70	0.2%	83	0.5%	(13)	-15.7%
EGP México	16	9.8%	14	7.0%	2	14.3%
EGP South Africa	-	-	-	6.3%	-	-
Enel Américas Group	55	6.4%	41	3.2%	14	34.1%
Enel Chile Group	90	6.0%	91	6.1%	(1)	-1.1%
Endesa Group	12	3.2%	5	1.4%	7	-
Enel Italia Group	58	2.1%	8	3.2%	50	-
Nuove Energie	2	3.3%	2	1.6%	-	-
Total	303		251		52	20.7%

At December 31, 2023, contractual commitments to purchase property, plant and equipment came to €4,690 million.

20. Infrastructure within the scope of “IFRIC 12 – Service Concession Arrangements”

Service concession arrangements, which are recognized in accordance with IFRIC 12, regard certain infrastructure serving concessions for electricity distribution in Brazil

and Costa Rica and public lighting in Brazil.

The following table summarizes the salient details of those concessions.

Millions of euro							Amount recognized among intangible contract assets at Dec. 31, 2023	Amount recognized among financial contract assets at Dec. 31, 2023	Amount recognized among financial assets at Dec. 31, 2023	Amount recognized among intangible assets at Dec. 31, 2023
	Grantor	Activity	Country	Concession period	Concession period remaining	Renewal option				
Enel Distribuição Rio de Janeiro	Brazilian government	Electricity distribution	Brazil	1996-2026	3 years	Yes	134	-	1,353	439
Enel Distribuição Ceará	Brazilian government	Electricity distribution	Brazil	1998-2028	5 years	Yes	134	-	1,138	466
Enel Green Power Mourão	Brazilian government	Electricity generation	Brazil	2016-2046	23 years	No	-	-	6	-
Enel Green Power Paranapanema	Brazilian government	Electricity generation	Brazil	2016-2046	23 years	No	-	-	27	-
Enel Green Power Volta Grande	Brazilian government	Electricity generation	Brazil	2017-2047	24 years	No	-	-	291	-
Enel Distribuição São Paulo	Brazilian government	Electricity distribution	Brazil	1998-2028	5 years	Yes	157	-	1,549	722
Luz de Angra Energia	Brazilian government	Public lighting	Brazil	2021-2036	13 years	Yes ⁽¹⁾	-	3	-	-
Luz de Jaboatão Energia	Brazilian government	Public lighting	Brazil	2023-2045	21 years	Yes ⁽¹⁾	-	5	-	-
Luz de Caruaru Energia	Brazilian government	Public lighting	Brazil	2023-2043	19 years	Yes ⁽¹⁾	-	4	-	-
Luz de Cataguases	Brazilian government	Public lighting	Brazil	2023-2048	24 years	Yes ⁽¹⁾	-	1	-	-
PH Chucas	Costa Rican Electricity Institute	Hydroelectric plant	Costa Rica	2012-2031	8 years	No	-	-	40	38
Total							425	13	4,404	1,665

(1) Limited to 35 years.

The assets classified under financial assets are measured at fair value at the end of the concessions. For more in-

formation, please see [note 52 “Assets and liabilities measured at fair value”](#).

21. Leases

The table below shows changes in right-of-use assets in 2023.

Millions of euro	Leased land	Leased buildings	Leased plants	Other leased assets	Total
Total at Dec. 31, 2022	1,312	513	424	513	2,762
Increases	318	270	(3)	99	684
Exchange differences	(26)	2	-	1	(23)
Depreciation	(47)	(118)	(29)	(143)	(337)
Other changes	(69)	(35)	(114)	(4)	(222)
Total at Dec. 31, 2023	1,488	632	278	466	2,864

Lease liabilities and changes during the year are shown in the table below.

Millions of euro	
Total at Dec. 31, 2022	2,672
Increases	677
Payments	(406)
Other changes	(38)
Total at Dec. 31, 2023	2,905
<i>of which medium to long term</i>	<i>2,638</i>
<i>of which short term</i>	<i>267</i>

Note that in 2023 no changes or renegotiations were made to leases.

Millions of euro	
	2023
Depreciation of right-of-use assets	346
Interest expense on lease liabilities	128
Expense relating to short-term leases (included in costs for services and other materials)	46
Expense relating to leases of low-value assets (included in costs for services and other materials)	-
Variable lease payments (included in costs for services and other materials)	29
Total	549

22. Investment property – €97 million

Millions of euro	
Cost net of accumulated impairment losses	116
Accumulated depreciation	22
Balance at Dec. 31, 2022	94
Exchange differences	-
Depreciation	(2)
Impairment losses	(1)
Other changes	6
Total changes	3
Cost net of accumulated impairment losses	114
Accumulated depreciation	17
Balance at Dec. 31, 2023	97

Investment property at December 31, 2023 amounted to €97 million, an increase of €3 million on 2022.

The Group's investment property consists of properties in Italy, Spain, Brazil and Chile, which are free of restrictions on their sale or the remittance of income and proceeds of disposal. In addition, the Group has no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The change in 2023 was mainly due to impairment losses recognized on a number of assets in Spain, a number of disposals in Italy and depreciation charges for the period.

For more information on the valuation of investment property, please see notes [52 "Assets and liabilities measured at fair value"](#), and [52.2 "Assets not measured at fair value in the statement of financial position"](#).

23. Intangible assets – €17,055 million

A breakdown of and changes in intangible assets for 2023 are shown below.

Millions of euro	Development expenditure	Industrial patents & intellectual property rights	Concessions, licenses, trademarks and similar rights	Service concession arrangements	Other	Leasehold improvements	Assets under development and advances	Contract costs	Total
Cost net of accumulated impairment losses	101	3,697	12,646	5,261	5,279	-	1,747	2,831	31,562
Accumulated amortization	22	3,034	1,851	3,761	3,847	-	-	1,527	14,042
Balance at Dec. 31, 2022	79	663	10,795	1,500	1,432	-	1,747	1,304	17,520
Capital expenditure	3	30	45	-	122	-	640	515	1,355
Assets entering service	2	300	8	-	209	-	(564)	10	(35)
Exchange differences	1	(4)	220	72	(4)	-	(49)	(4)	232
Change in the consolidation scope	-	-	1	-	-	-	(1)	-	-
Disposals	-	(2)	-	(18)	-	-	3	-	(17)
Amortization	(5)	(313)	(199)	(402)	(342)	-	-	(425)	(1,686)
Impairment losses	(3)	-	1	-	(1)	-	(57)	-	(60)
Impairment gains	-	-	-	-	2	-	-	-	2
Other changes	(47)	50	(10)	513	-	-	(46)	3	463
Reclassifications from/to assets held for sale	(4)	(49)	(590)	-	(44)	-	(32)	-	(719)
Total changes	(53)	12	(524)	165	(58)	-	(106)	99	(465)
Cost net of accumulated impairment losses	55	3,988	12,401	5,822	5,513	-	1,641	3,352	32,772
Accumulated amortization	29	3,313	2,130	4,157	4,139	-	-	1,949	15,717
Balance at Dec. 31, 2023	26	675	10,271	1,665	1,374	-	1,641	1,403	17,055

The following table reports service concession arrangements that do not fall within the scope of IFRIC 12 and had a balance as at December 31, 2023.

Millions of euro									
	Grantor	Activity	Country	Concession period	Concession period remaining	Renewal option	at Dec. 31, 2023	at Dec. 31, 2022	Initial fair value
Endesa Distribución Eléctrica	-	Electricity distribution	Spain	Indefinite	Indefinite	-	5,677	5,678	5,673
Enel Colombia (formerly Codensa)	Republic of Colombia	Electricity distribution	Colombia	Indefinite	Indefinite	-	1,266	1,047	1,839
Enel Distribución Chile (formerly Chilectra)	Republic of Chile	Electricity distribution	Chile	Indefinite	Indefinite	-	1,254	1,331	1,667

Assets with an indefinite useful life amounted to €8,197 million (€8,056 million at December 31, 2022) essentially accounted for by concessions for distribution activities in Spain (€5,677 million), Colombia (€1,266 million) and Chile (€1,254 million), for which there was no statutory or currently predictable expiration date. On the basis of the forecasts developed, cash flows for each CGU, with which the various concessions are associated, were sufficient to

recover the carrying amount. The change during the year was essentially attributable to changes in exchange rates in Latin America. The assets in respect of concession arrangements that do not fall within the scope of IFRIC 12 of Enel Distribución Perú were reclassified as held for sale in the amount of €581 million (€584 million at December 31, 2022).

For more information on service concession arrangements, please see [note 20](#).

Impairment losses amounted to €60 million in 2023, and mainly regarded renewable projects no longer considered strategic in Spain, the United States and Italy.

“Reclassifications from/to assets held for sale” refer mainly to assets held by Enel Distribución Perú SAA, Enel Generación Perú, Compañía Energética Veracruz and other

renewable assets in North America (the latter sold at the beginning of 2024).

“Other changes” mainly include the reclassification under financial assets of investments falling within the scope of IFRIC 12 in Brazil and the value adjustment of intangible assets of Argentine companies as a result of the application of the accounting standard for financial reporting in hyperinflationary economies.

24. Goodwill – €13,042 million

Millions of euro	at Dec. 31, 2022	Change in the consolidation scope	Exchange differences	Impairment losses	Reclassifications from/to assets held for sale	Other changes	at Dec. 31, 2023
	Net carrying amount						Net carrying amount
Iberian Peninsula	8,785	-	-	-	-	-	8,785
Chile	1,148	-	(1)	-	(46)	-	1,101
Argentina	21	-	(1)	-	-	-	20
Peru	571	-	(1)	-	(570)	-	-
Colombia	518	-	8	-	-	-	526
Brazil	1,313	-	44	-	-	-	1,357
Central America	26	-	-	-	-	-	26
Enel Green Power North America	70	-	(2)	-	-	-	68
Enel X North America	142	-	(4)	(57)	-	-	81
Enel X Way North America	70	-	(1)	(69)	-	-	-
Enel X Asia Pacific	84	-	-	-	-	-	84
Enel X Rest of Europe ⁽¹⁾	43	-	-	-	-	-	43
Market Italy ⁽²⁾	581	-	-	-	-	-	581
Enel Green Power Italy	21	-	-	-	-	-	21
Enel Produzione Italy	349	-	-	-	-	-	349
Total	13,742	-	42	(126)	(616)	-	13,042

(1) Includes Viva Labs.

(2) Includes Enel Energia.

The following table presents the allocation of goodwill in the matrix of business lines and geographical areas. Note that the changes in the presentation of operating

segments, described in note 10 above, did not produce changes in the allocation of goodwill for the purposes of impairment testing.

Goodwill matrix at Dec. 31, 2023

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets	Holding and Services	Total
Enel Green Power Italy	-	21	-	-	-	21
Market Italy ⁽¹⁾	-	-	-	581	-	581
Enel Produzione Italy	-	349	-	-	-	349
Iberian Peninsula	-	1,190	5,788	1,807	-	8,785
Argentina	-	1	19	-	-	20
Brazil	-	502	855	-	-	1,357
Chile	-	949	152	-	-	1,101
Colombia	-	303	223	-	-	526
Peru	-	-	-	-	-	-
Central America	-	26	-	-	-	26
Enel Green Power North America	-	68	-	-	-	68
Enel X North America	-	-	-	81	-	81
Enel X Way North America	-	-	-	-	-	-
Enel X Asia Pacific	-	-	-	84	-	84
Enel X Rest of Europe ⁽²⁾	-	-	-	43	-	43
Total	-	3,409	7,037	2,596	-	13,042

(1) Includes Enel Energia.

(2) Includes Viva Labs.

Goodwill matrix at Dec. 31, 2022

Millions of euro	Thermal Generation and Trading	Enel Green Power	Enel Grids	End-user Markets ⁽¹⁾	Holding and Services ⁽¹⁾	Total
Enel Green Power Italy	-	21	-	-	-	21
Market Italy ⁽²⁾	-	-	-	581	-	581
Enel Produzione Italy	-	349	-	-	-	349
Iberian Peninsula	-	1,190	5,788	1,807	-	8,785
Argentina	-	2	19	-	-	21
Brazil	-	478	835	-	-	1,313
Chile	-	996	152	-	-	1,148
Colombia	-	295	223	-	-	518
Peru	44	207	320	-	-	571
Central America	-	26	-	-	-	26
Enel Green Power North America	-	70	-	-	-	70
Enel X North America	-	-	-	142	-	142
Enel X Way North America	-	-	-	70	-	70
Enel X Asia Pacific	-	-	-	84	-	84
Enel X Rest of Europe ⁽³⁾	-	-	-	43	-	43
Total	44	3,634	7,337	2,727	-	13,742

(1) The figures for 2022 for the End-user Market Business Line have been adjusted to take account of the values for Enel X and Enel X Way. The latter had previously been reported under Holding, Services and Other.

(2) Includes Enel Energia.

(3) Includes Viva Labs.

The decrease of €700 million in goodwill was mainly attributable to Peru for the reclassification as assets held for sale of generation and distribution assets (€570 million), and Chile for the reclassification to assets held for sale of Arcadia Generación Solar (€46 million).

New impairment losses were also recognized in 2023 in respect of the CGUs in North America of Enel X and Enel X Way (€57 and €69 million, respectively) following impairment testing conducted in response to changes in macro-economic conditions.

The decrease is partly offset by exchange gains recognized in Brazil.

The recoverable amount of the goodwill recognized was estimated by calculating the value in use of the CGUs using discounted cash flow models, which involve estimating expected future cash flows and applying an appropriate discount rate, selected on the basis of market inputs such as risk-free rates, betas and market-risk premiums. Cash flows were determined on the basis of the best information available at the time of the estimate, taking account of the specific risks of each CGU, and drawn:

- for the explicit period, from the Business Plan approved by the Board of Directors of the Parent on November 22, 2023, containing forecasts for volumes, revenue, operating costs, capital expenditure, industrial and commercial organization and developments in the main macroeconomic variables (inflation, nominal interest rates and exchange rates) and commodity prices. The explicit period of cash flows considered in impairment testing was three years;
- for subsequent years, from assumptions concerning long-term developments in the main variables that determine cash flows, the average residual useful life of assets or the duration of the concessions.

More specifically, the terminal value is calculated based on the specific characteristics of the businesses related to the various CGUs subject to impairment testing:

- perpetuity, for the businesses of large-hydro (LH) power generation and of distribution, in which the licenses and public concessions are of a long-term nature and renewal can be forecast with reasonable certainty; as well as for the Enel X and Enel X Way businesses, as they feature the development of specific know-how that is sustainable over the long term;
- annuity, for CGUs that are predominantly characterized by retail business, for which the residual life is, therefore, essentially correlated with the average duration of the customer relationships; as well as for businesses

of conventional thermal power generation (Generation and Trading). This method is also used for the renewable energy (Enel Green Power) businesses to take account of: (i) the value resulting from the remaining useful lives of the plants; and (ii) the residual value, in the event of plant decommissioning, associated with licensing rights, the competitiveness of the production facilities (in terms of natural resources), and network interconnectivity.

The nominal growth rate (g-rate) is equal to the long-term rate of growth in electricity and/or inflation (depending on the country and business involved).

Regarding the assumptions for commodity price developments, the scenarios adopted are consistent with current emissions reductions targets.

Note also that the Group has used sensitivity analysis to take account of the impacts of climate change in the long term. More specifically:

- we consider a perpetual long-term growth rate for cash flows after the explicit period that is in line with the change in electricity demand over the 2026-2050 period, based on the specific features of the businesses concerned, adopting certain assumptions concerning the increase in temperature due to climate change and trends connected with the energy transition;
- we consider changes in the hydroelectric, wind and photovoltaic generation levels of our Portfolio assets, associated with each projection of underlying climate and weather variables (for example, temperature, irradiance, wind speed and precipitation);
- we assume that the Group will incur the costs provisioned for decommissioning fossil fuel generation plants in line with the goal of zero direct (Scope 1) and indirect emissions from retail activities (Scope 3).

In order to verify the robustness of the value in use of the CGUs, sensitivity analyses were conducted for the main value drivers, in particular WACC and the long-term growth rate.

Even in these circumstances, results were consistent with the evidence described previously, finding that for all the CGUs analyzed, with the exception of those written down (Enel X North America and Enel X Way North America), the value in use exceeded the carrying amount, ensuring the full recoverability of the carrying amounts of those assets in the consolidated financial statements of the Enel Group at December 31, 2023.







OUR ZERO-EMISSIONS AMBITION







Enel is committed to achieving zero emissions by 2040 and to developing a business model that is in line with the objectives of the Paris Agreement (COP 21) to limit the average increase in global temperatures







to 1.5 °C. For this reason, the Group has developed a decarbonization roadmap that covers both direct and indirect emissions throughout the value chain. The roadmap includes four targets certified by the Science Based Targets initiative (SBTi) in December 2022 to be in line with the Net Zero Standard.





GHG TARGET

Intensity of Scope 1 GHG emissions related to power generation

Primary business activity	Electricity generation		
Type of activity in value chain	Direct		
Stakeholders impacted or involved	<ul style="list-style-type: none"> Customers and power consumers Society and environment 		
Sources of covered GHG (GHG Protocol)⁽¹⁾	95% of Scope 1 GHG emissions ⁽²⁾		
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)
GHG target	125 gCO _{2eq} /kWh	72 gCO _{2eq} /kWh	0 gCO _{2eq} /kWh Zero emissions
% reduction on 2017 (SBTi baseline)	-66%	-80%	-100%
% reduction on 2023 (reporting year)	-22%	-55%	-100%
Climate scenario	 1.5 °C ⁽³⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)
Primary drivers and actions	<ul style="list-style-type: none"> Gradual phase out of coal-fired capacity in 2024–2026, with planned closure of the Federico II and Torrealvaldiga Nord plants in Italy (with a total capacity of about 3.6 GW). Invest €12.1 billion to accelerate the development of renewable energy by installing 13.4 GW of new renewables capacity (about 11.3 GW of which at the consolidated level) in 2024–2026, reaching 73 GW of renewables capacity (including BESS) by 2026. Continue the process of decarbonizing electricity generation, with the proportion of renewables plants in the Enel asset portfolio reaching 78% in 2026, with zero-emissions generation amounting to 86% of the total, including consolidated and managed generation. No use of carbon-removal technologies to achieve the target. 		
Results and main actions in 2023	<p>KPI achievement in 2023: 160 gCO_{2eq}/kWh</p> <ul style="list-style-type: none"> About €5.9 billion invested in renewables in 2023. New consolidated renewables capacity installed equal to 4 GW in 2023, bringing total consolidated capacity to 55.5 GW in 2023. Increase in consolidated renewables generation equal to 13% on 2022, representing 61% of total consolidated generation in 2023. Reduction of thermal capacity by about 5.1 GW on 2022, including the closure of two coal-fired plants (for a total of about 2 GW) and the sale of gas plants in Argentina (for a total of about 3 GW) and Colombia (for a total of about 0.2 GW). Reduction of thermal generation by 38% on 2022 (specifically, with a 45% reduction in coal-fired generation), representing 27% of total generation in 2023. 		

GHG TARGET		Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power		
Primary business activity	Sale of electricity			
Type of activity in value chain	<ul style="list-style-type: none">• Direct (electricity generation)• Upstream in value chain (purchase of electricity from other generators for sale to end users)			
Stakeholders impacted or involved	<ul style="list-style-type: none">• Customers and power consumers• Electricity generators (peers)• Society and environment			
Sources of covered GHG (GHG Protocol) ⁽¹⁾	<ul style="list-style-type: none">• 95% of Scope 1 GHG emissions• 42% of Scope 3 GHG emissions (corresponding to 78% of Scope 3 GHG emissions – category 3)			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	135 gCO _{2eq} /kWh	73 gCO _{2eq} /kWh	0 gCO _{2eq} /kWh Zero emissions	
% reduction on 2017 (SBTi baseline)	-59%	-78%	-100%	
% reduction on 2023 (reporting year)	-20%	-57%	-100%	
Climate scenario	 1.5 °C ⁽³⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none">• Increase the percentage of renewable energy sold to customers, while increasing the Group's renewables production and optimizing customer portfolio, continuing supply and demand balancing strategy.• In Europe, increase the share of fixed-price energy sales to end users covered by zero-emissions sources from about 65% in 2023 to more than 80% in 2026.• In Latin America, maintain 100% zero-emissions sales to end users (including through PPAs).• In North America, maintain 100% zero-emissions sales to end users.• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation from 75% in 2023 (including managed capacity) to 86% of total in 2026, including consolidated and managed capacity.• No use of carbon-removal technologies to achieve the target.• Continue the strategy of balancing supply and demand and increase the share of electricity sold at a fixed price covered by carbon-free generation.• Continue the process of decarbonizing electricity generation, increasing zero-emissions generation to about 90% of the total in 2030.• No use of carbon-removal technologies to achieve the target.• By 2040, achieve 100% of electricity sales covered by renewables.• No use of carbon-removal technologies to achieve the target.			
Results and main actions in 2023	<p>KPI achievement in 2023: 168 gCO_{2eq}/kWh</p> <ul style="list-style-type: none">• 13% increase in Group consolidated renewables generation in 2023 on 2022.• 7% reduction in 2023 compared with 2022 in the gap between sale of electricity to end users and own generation in the countries in which the Group has an integrated position.			

GHG TARGET		Scope 3 GHG emissions related to the sale of natural gas on end-user market		
Primary business activity	Sale of gas to end users			
Type of activity in value chain	• Downstream in value chain			
Stakeholders impacted or involved	• Gas customers • Society and environment			
Sources of covered GHG (GHG Protocol) ⁽¹⁾	• 30% of Scope 3 GHG emissions (corresponding to 100% of Scope 3 GHG emissions – category 11)			
Time frame	 Short term (2026)	 Medium term (2030)	 Long term (2040)	
GHG target	20.0 MtCO _{2eq}	11.4 MtCO _{2eq}	0 MtCO _{2eq} Zero emissions	
% reduction on 2017 (SBTi baseline)	-21%	-55%	-100%	
% reduction on 2023 (reporting year)	— ⁽⁴⁾	-32%	-100%	
Climate scenario	 n.a. ⁽⁵⁾	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<div>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) from 2.65 MWh in 2023 to about 2.9 MWh in 2026, thereby increasing the electrification rate of customers.</div> <div>• Allocate 32% of investment in grids in 2024–2026 to connections, partly with a view to enabling the expansion of distributed generation, thereby promoting the electrification of end users’ energy consumption. The number of connections to distributed generation is forecast to double in the period, reaching 4 million in 2026.</div> <div>• Reduce the volumes of gas sold to customers to around 8.4 billion cubic meters in 2026.</div> <div>• No use of carbon-removal technologies to achieve the target.</div> <div>• Encourage customers (especially residential customers) to switch from gas to electricity by promoting efficient electricity technologies (e.g., heat pumps for home heating or induction cooktops in kitchens), increasing annual unit electricity consumption of free-market B2C power customers (in Italy and Iberia) to about 3.5 MWh in 2030, thereby increasing the electrification rate of customers.</div> <div>• Continue to invest in distribution grids, supporting the growth of distributed generation, thereby promoting the electrification of end users’ energy consumption, reaching 6 million connections to distributed generation in 2030.</div> <div>• Optimize the customer gas portfolio (industrial customers in particular), continuing to reduce the volume of gas sold to about 5.3 billion cubic meters in 2030.</div> <div>• No use of carbon-removal technologies to achieve the target.</div> <div>• By 2040, achieve 100% of energy sales covered by renewables.</div> <div>• Exit retail gas sales business by 2040.</div> <div>• No use of carbon-removal technologies to achieve the target.</div>			
Results and main actions in 2023	<div>KPI achievement in 2023: 16.8 MtCO_{2eq}</div> <div>• 6.2 million gas customers in 2023, down 6% on 2022.</div> <div>• Gas sales in 2023 equal to 8.3 billion cubic meters, down 19% on 2022.</div> <div>• 3.6 million new connections in 2023.</div>			

GHG TARGET		Additional emissions Scopes 1-2-3	
Primary business activity	<ul style="list-style-type: none">Electricity distribution (Scopes 1 and 2)Management of vehicle fleet, buildings and other assets (Scopes 1 and 2)Management of supply chain (Scope 3)Purchase of fuels (Scope 3)		
Type of activity in value chain	<ul style="list-style-type: none">Direct (electricity distribution and management of vehicle fleet, buildings and other Group assets)Upstream in value chain (supply chain for products and services and fuel business)		
Stakeholders impacted or involved	<ul style="list-style-type: none">Customers and power consumersElectricity generators (peers)Suppliers of goods and servicesOil&gas suppliersSociety and environment		
Sources of covered GHG (GHG Protocol) ⁽¹⁾	<ul style="list-style-type: none">0.5% of Scope 1 GHG emissions100% of Scope 2 GHG emissionsTarget 2030⁽⁶⁾: 15% of Scope 3 GHG emissions (corresponding to 17% of Scope 3 emissions – category 1 and 22% of Scope 3 emissions – category 3)Target 2040⁽⁶⁾: 18% of Scope 3 GHG emissions (corresponding to 35% of Scope 3 emissions – category 1 and 22% of Scope 3 emissions – category 3)		
Time frame	 Medium term (2030)	 Long term (2040)	
GHG target	10.4 MtCO _{2eq}	<2.5 MtCO _{2eq} Net zero emissions	
% reduction on 2017 (SBTi baseline)	-55%	-90%	
% reduction on 2023 (reporting year)	-12%	-83%	
Climate scenario	 1.5 °C (SBTi certified)	 1.5 °C (SBTi certified)	
Primary drivers and actions	<ul style="list-style-type: none">Invest a total of €18.6 billion in grids over the 2024-2026 period, of which 50% to improve grid resilience, quality and digitalization, thereby helping to reduce grid losses and related greenhouse gas emissions. Replace existing distribution grid infrastructure components with SF₆-free solutions.Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with our suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.Phase out coal-fired generation by 2027, mitigating all GHG emissions related to coal supply.No use of carbon-removal technologies to achieve the target.		
	<ul style="list-style-type: none">Promote grid digitalization and replace existing distribution grid infrastructure components with SF₆-free solutions.Implement a circular procurement approach; increase the number of contracts that include the measurement of the carbon footprint of the products and services purchased by Enel, encouraging its reduction in a collaborative decarbonization process with our suppliers. Strengthen dialogue with raw material producers and other utilities to define shared and effective long-term decarbonization strategies.Eliminate emissions connected with gas extraction activities, as the Group has fully exited gas-fired generation and sale of gas to end users.Neutralize the residual amount through carbon-removal actions (purchase of certificates linked to nature-based or technology-based projects in voluntary carbon markets, in accordance with international standards) if complete mitigation of emissions is not feasible due to exogenous factors (technological, market or regulatory).		
	KPI achievement in 2023: 11.9 MtCO _{2eq} (for 2017-2030 target scope) and 13.5 MtCO _{2eq} (for 2017-2040 target scope) ⁽⁶⁾		
Results and main actions in 2023	<ul style="list-style-type: none">€5.4 billion invested in the grid in 2023.43% reduction in coal burned in thermal generation plants.41% reduction in volume of gas burned in thermal generation plants compared with 2022 (due also to the sale of gas plants in Russia and Argentina), and 19% reduction in volume of gas sold to end users compared with 2022.8% reduction in electricity consumption in Group generation plants and buildings.24% reduction in emissions intensity (tCO_{2eq}/€mn) in supply chain in 2023 compared with 2022, reaching 684 tCO_{2eq}/€mn.		

TOTAL COVERAGE OF SCOPES 1-2-3 EMISSIONS IN 2023

- **95.5%** of Scope 1 GHG emissions (2026, 2030 and 2040 targets)
- **100%** of Scope 2 GHG emissions (2030 and 2040 targets)
- **87%** (2017-2030 target) and **90%** (2017-2040 target) of Scope 3 GHG emissions⁽⁶⁾

(1) Percentages based on total GHG emissions in 2023.

(2) Excludes marginal Scope 1 GHG emissions not directly related to the combustion of fossil fuels in electricity generation at thermal plants. These emissions also include the use of ancillary services in distribution operations. In particular, in 2023 there was an extraordinarily high use of these services in Brazil to deal with the meteorological emergency that occurred in São Paulo in November 2023, which caused the interruption of grid operations. In any event, 95.8% of Scope 1 and Scope 2 GHG emissions are covered by all of the above targets, greater than the 95% threshold required under the Science Based Targets initiative and the GHG Protocol.

(3) The target is in line with the path to 1.5 °C set by the SBTi for the electrical services industry (Sectoral Decarbonization Approach, or SDA), although it could not be officially validated because the SBTi does not certify targets over a time frame of less than five years from the presentation date.

(4) In 2023, gas sales decreased considerably compared with previous years. Furthermore, a methodological change in the use of conversion factors has been implemented. These two factors produced a value below the target expected for 2026.

(5) The target could not be officially validated because the SBTi does not certify targets over a time frame of less than five years from the presentation date. In addition, the SBTi has not defined a sectoral decarbonization approach for these types of emissions, so the ambition level cannot be verified.

(6) Two different percentage limits have been set for the target for Scope 3 GHG emissions by the supply chain, as allowed under the SBTi approach, which required coverage of at least 67% of Scope 3 emissions for the 2030 target, and at least 90% for the 2040 target.

The table below reports the composition of the main goodwill values for the companies to which the CGU belongs, along with the discount rates applied and the time

horizon over which the expected cash flows have been discounted.

Millions of euro	Amount of goodwill	Growth rate ⁽¹⁾	Pre-tax WACC discount rate ⁽²⁾	Explicit period of cash flows	Terminal value ⁽³⁾	Amount of goodwill	Growth rate ⁽¹⁾	Pre-tax WACC discount rate ⁽²⁾	Explicit period of cash flows	Terminal value ⁽³⁾
	at Dec. 31, 2023					at Dec. 31, 2022				
Iberian Peninsula	8,785	2.19%	8.23%	3 years	Perpetuity/22 years EGP/12 years G&T/15 years MKT	8,785	2.47%	6.10%	3 years	Perpetuity/25 years EGP/13 years G&T
Chile	1,101	2.07%	9.57%	3 years	Perpetuity/28 years EGP/5 years G&T	1,148	2.00%	8.45%	3 years	Perpetuity/26 years EGP/5 years G&T
Argentina	20	1757%	41.90%	3 years	Perpetuity	21	45.70%	71.78%	3 years	Perpetuity
Peru	n.a.	n.a.	n.a.	n.a.	n.a.	571	2.25%	8.75%	3 years	Perpetuity/25 years EGP/8 years G&T
Colombia	526	3.50%	14.25%	3 years	Perpetuity/25 years EGP/14 years G&T	518	3.20%	11.79%	3 years	Perpetuity/26 years EGP/15 years G&T
Brazil	1,357	3.86%	12.31%	3 years	Perpetuity/24 years EGP	1,313	3.58%	11.22%	3 years	Perpetuity/25 years EGP
Central America	26	2.10%	10.92%	3 years	17 years	26	2.02%	9.66%	3 years	18 years
Enel Green Power North America	68	2.10%	8.27%	3 years	24 years	70	2.02%	6.48%	3 years	25 years
Enel X North America	81	2.10%	11.75%	3 years	Perpetuity	142	2.02%	9.71%	3 years	Perpetuity
Enel X Way North America	n.a.	n.a.	n.a.	n.a.	n.a.	70	2.02%	11.53%	3 years	Perpetuity
Enel X Asia Pacific	84	2.10%	13.27%	3 years	Perpetuity	84	2.02%	10.39%	3 years	Perpetuity
Enel X Rest of Europe	43	2.10%	11.45%	3 years	Perpetuity	43	1.62%	8.82%	3 years	Perpetuity
Enel Green Power Italy	21	2.10%	8.66%	3 years	Perpetuity/26 years	21	1.62%	6.39%	3 years	Perpetuity/24 years
Market Italy	581	1.93%	11.31%	3 years	15 years	581	2.38%	10.69%	3 years	15 years
Enel Produzione Italy	349	2.06%	9.07%	3 years	Perpetuity/14 years	349	1.64%	7.70%	3 years	Perpetuity/15 years
Romania	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
CGUs with no recognized goodwill but that underwent impairment testing given the presence of the indicators provided for in IAS 36										
Iberia - NPT (Non-Peninsular Territories)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Australia	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mexico	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

(1) Perpetual growth rate for cash flows after the explicit forecast period.

(2) Pre-tax WACC calculated using the iterative method: the discount rate that ensures that the value in use calculated with pre-tax cash flows is equal to that calculated with post-tax cash flows discounted with the post-tax WACC.

(3) The terminal value has been estimated on the basis of a perpetuity or an annuity with a rising yield for the years indicated in the column (G&T = Generation & Trading, EGP = Enel Green Power, MKT = End-user Markets).

25. Deferred tax assets and liabilities – €9,218 million and €8,217 million

The following tables detail changes in deferred tax assets and liabilities by type of timing difference and calculated based on the tax rates established by applicable regula-

tions, as well as the amount of deferred tax assets offsettable, where permitted, with deferred tax liabilities.

Millions of euro		Increase/ (Decrease) taken to profit or loss	Increase/ (Decrease) taken to equity	Change in the consolidation scope	Exchange differences	Other changes	Reclassifications of assets held for sale	
	at Dec. 31, 2022							at Dec. 31, 2023
Deferred tax assets:								
- differences in the carrying amount of intangible assets, property, plant and equipment	2,313	(79)	-	-	-	65	(30)	2,269
- accruals to provisions for risks and charges and impairment losses with deferred deductibility	1,956	(68)	-	-	6	33	(2)	1,925
- tax loss carried forward	786	(39)	-	-	(12)	11	-	746
- measurement of financial instruments	2,914	1	(1,521)	-	(2)	(70)	-	1,322
- employee benefits	798	(25)	66	-	22	3	(1)	863
- other items ⁽¹⁾	2,408	32	11	1	(148)	(98)	(113)	2,093
Total	11,175	(178)	(1,444)	1	(134)	(56)	(146)	9,218
Deferred tax liabilities:								
- differences on non-current and financial assets	5,719	17	-	1	(490)	306	(515)	5,038
- measurement of financial instruments	1,506	(3)	(473)	-	(3)	(69)	(1)	957
- other items ⁽¹⁾	2,569	(200)	(5)	-	(27)	(68)	(47)	2,222
Total	9,794	(186)	(478)	1	(520)	169	(563)	8,217
Non-offsettable deferred tax assets								5,221
Non-offsettable deferred tax liabilities								3,347
Excess net deferred tax liabilities after any offsetting								873

(1) The figures at December 31, 2022 for deferred tax assets and liabilities have been adjusted in the amount of €250 million and €252 million respectively to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

Deferred tax assets recognized at December 31, 2023, as the recovery of such assets is considered reasonably certain, totaled €9,218 million (€11,175 million at December 31, 2022).

Deferred tax assets decreased by €1,957 million during the year, essentially due to:

- a decrease in deferred tax assets connected with developments in the fair value of cash flow hedge derivatives;

- the impact of exchange rate differences in Latin America, in particular in Argentina;
- the reversal of the portion of deferred tax assets no longer considered recoverable in the United States and Mexico;
- the reclassification to assets held for sale of generation and distribution assets in Peru.

Note that deferred tax assets have not been assessed on tax losses carried forward for the year (€1,480 million) in

the amount of €453 million, as their recoverability is not considered probable based on current estimates of future taxable income.

Deferred tax liabilities amounted to €8,217 million at December 31, 2023 (€9,794 million at December 31, 2022). They essentially include the determination of the tax effects of the adjustments to assets acquired as part of the final allocation of the cost of acquisitions made in the various years and the deferred taxation in respect of the differences between depreciation charged for tax purposes, including accelerated depreciation, and depreciation based on the estimated useful lives of assets.

Deferred tax liabilities decreased by a total of €1,577 million, due in particular to:

- the decrease in deferred tax liabilities connected with developments in the fair value of cash flow hedge derivatives;
- the impact of exchange rate differences in Latin America, in particular in Argentina;
- the reversal of deferred tax liabilities connected with impairment losses on renewable generation plants in the United States;
- the reclassification of deferred tax liabilities relating to companies held for sale in Peru.

26. Equity-accounted investments – €1,650 million

The following table shows changes in the main investments in joint ventures and associated companies accounted for using the equity method.

Millions of euro	% held		Impact on profit or loss	Change in the consolidation scope	Dividends	Reclassification to discontinued operations	Reclassifications from/to assets held for sale	Impairment	Other changes	% held	
at Dec. 31, 2022										at Dec. 31, 2023	
Joint ventures											
Gridspertise Srl	299	50.0%	9	-	-	-	-	-	(2)	306	50.0%
Mooney Group SpA	219	50.0%	(35)	-	-	-	-	-	1	185	50.0%
Slovak Power Holding	90	50.0%	-	-	-	-	-	-	99	189	50.0%
Enel Green Power Australia	-		(7)	142	-	-	-	-	13	148	50.0%
Enel Green Power Hellas	-		(1)	246	-	-	-	-	-	245	50.0%
Matimba project companies	108	50.0%	(1)	(15)	-	-	-	-	(17)	75	50.0%
Kino project companies	16	20.0%	(13)	-	-	-	-	-	(2)	1	20.0%
Ewiva Srl	20	50.0%	(3)	-	-	-	-	-	22	39	50.0%
Drift Sand Wind Project	45	50.0%	1	-	-	-	-	-	(1)	45	50.0%
Front Marítim del Besòs	31	61.4%	(2)	-	-	-	-	-	1	30	61.4%
Elecgas SA	30	50.0%	6	-	(13)	-	-	-	(2)	21	50.0%
Tejo Energia - Produção e Distribuição de Energia Eléctrica	5	43.8%	-	-	-	-	-	-	-	5	43.8%
Suministradora Eléctrica de Cádiz	9	33.5%	3	-	(3)	-	-	-	(1)	8	33.5%
Energie Electrique de Tahaddart	11	32.0%	3	-	(2)	-	-	-	(4)	8	32.0%
Rusenergosbyt	91	49.5%	58	-	-	(115)	-	-	(34)	-	
PowerCrop	14	50.0%	(6)	-	-	-	-	-	-	8	50.0%
Total joint ventures	988		12	373	(18)	(115)	-	-	73	1,313	

Millions of euro			Impact on profit or loss	Change in the consolidation scope	Dividends	Reclassification to discontinued operations	Reclassifications from/to assets held for sale	Impairment	Other changes		
at Dec. 31, 2022										at Dec. 31, 2023	
Associates											
CESI	58	42.7%	(2)	-	-	-	-	-	-	56	42.7%
GNL Chile SA	14	33.3%	7	-	-	-	-	-	(1)	20	33.3%
Energías Especiales del Bierzo	12	50.0%	1	-	(2)	-	-	-	(1)	10	50.0%
Gorona del Viento El Hierro SA	13	23.2%	(6)	-	-	-	-	-	-	7	23.2%
Compañía Eólica Tierras Altas	7	375%	1	-	(1)	-	-	-	-	7	375%
Sociedad Eólica El Puntal	4	50.0%	1	-	(2)	-	-	-	2	5	50.0%
Renovables Brovales 400 kV	-		-	-	-	-	-	-	5	5	64.2%
Cogenio Iberia	5	20.0%	-	-	-	-	-	-	1	6	20.0%
Cogenio Srl	9	20.0%	-	-	-	-	-	-	(1)	8	20.0%
Avikiran Solar India	-		(1)	29	-	-	-	-	(1)	27	51.0%
Avikiran Surya India	27	51.1%	(1)	-	-	-	-	-	(2)	24	51.0%
EGPNA Renewable Energy Partners	77	10.0%	2	-	-	-	-	-	(15)	64	10.0%
Rocky Caney Holding	22	10.0%	2	-	-	-	-	-	(4)	20	10.0%
Other minor	45		(57)	8	(2)	-	(1)	-	85	78	
Total associates	293		(53)	37	(7)	-	(1)	-	68	337	
TOTAL	1,281		(41)	410	(25)	(115)	(1)	-	141	1,650	

The increase in equity accounted investments in 2023 mainly reflected:

- changes in the consolidation scope, mainly regarding:
 - the recognition of the interest in the joint ventures of Enel Green Power Australia (€142 million), following the sale, to INPEX Corporation, of a 50% stake in those companies, previously wholly owned and classified as held for sale;
 - the recognition of the interest in the joint venture Enel Green Power Hellas (€246 million), following the sale, to Macquarie Asset Management, of a 50% stake in the company, previously controlled by the Enel Group;
 - the recognition of the interest in the associate Avikiran Solar India Private Limited (€ 29 million) following the sale to Norfund of 49% of the company, with loss of control;
 - the recognition of the negative price adjustment of the investment in the joint venture holding the companies of the Matimba project (€15 million);

- the recognition of the Group's share in changes in the OCI reserves (€98 million) mainly in respect of Slovak Power Holding and attributable to developments in the fair value of cash flow hedge derivatives of the company.

These positive effects were mainly offset by the reclassification under discontinued operations of the entire investment in Rusenergosbyt (€115 million), which was then sold in 2023, as well as dividends distributed in the year in the amount of €25 million, mainly by Spanish companies, and adverse exchange rate developments.

The following tables provide a summary of financial information for the main joint ventures and associates of the Group not classified as held for sale in accordance with IFRS 5.

Millions of euro	Non-current assets		Current assets		Total assets	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Joint ventures						
Gridspertise Srl	170	94	132	192	302	286
Mooney Group SpA	894	880	487	449	1,381	1,329
Slovak Power Holding	12,468	12,376	1,470	1,444	13,938	13,820
Enel Green Power Australia	428	-	73	-	501	-
Enel Green Power Hellas	687	-	109	-	796	-
Matimba project companies	1,583	1,759	320	348	1,903	2,107
Ewiva Srl	40	40	39	-	79	40
Associates						
CESI	179	191	13	25	192	216
Avikiran Solar India	148	-	6	-	154	-
Avikiran Surya India	200	207	63	30	263	237

Millions of euro	Total revenue		Pre-tax profit/(loss)		Profit/(Loss) from continuing operations	
	2023	2022	2023	2022	2023	2022
Joint ventures						
Gridspertise Srl	418	334	23	12	17	8
Mooney Group SpA	435	224	(70)	(33)	(70)	(33)
Slovak Power Holding	5,129	5,184	856	(320)	598	(223)
Enel Green Power Australia	37	-	(28)	-	(28)	-
Enel Green Power Hellas	127	-	25	-	17	-
Matimba project companies	148	114	(8)	(39)	(2)	(24)
Ewiva Srl	-	-	(6)	(4)	(6)	(4)
Associates						
CESI	164	155	(5)	(4)	(5)	(1)
Avikiran Solar India	15	-	(6)	-	(6)	-
Avikiran Surya India	18	9	(3)	1	(3)	1

Non-current liabilities		Current liabilities		Total liabilities		Equity	
at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
49	9	158	198	207	207	95	79
1,134	1,086	649	575	1,783	1,661	(402)	(332)
7,843	4,950	1,393	6,620	9,236	11,570	4,702	2,250
315	-	21	-	336	-	165	-
672	-	166	-	838	-	(42)	-
1,599	1,763	113	93	1,712	1,856	191	251
-	-	-	-	-	-	79	40
20	24	73	90	93	114	99	102
87	-	14	-	101	-	53	-
112	117	48	9	160	126	103	111

27. Derivatives

Millions of euro	Non-current		Current	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Derivative financial assets	2,383	3,970	6,407	14,830
Derivative financial liabilities	3,373	5,895	6,461	16,141

For more information on derivatives qualifying has hedging instruments and measured at FVTPL, please see [note 51 "Derivatives and hedge accounting"](#).

28. Current/Non-current contract assets/(liabilities)

Millions of euro	Non-current		Current	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Contract assets	444	508	212	106
Contract liabilities	5,743	5,747	2,126	1,775

Non-current assets deriving from contracts with customers (contract assets) refer mainly to assets with long-term utility under construction in respect of public-to-private service concession arrangements recognized in accordance with IFRIC 12 (€425 million). These cases arise when the concession holder has not yet obtained full right to recognize the asset from the grantor, in that there remains a contractual obligation to ensure that the asset is completed and can be remunerated through rates. The figure at December 31, 2023 includes investments for the year in the amount of €795 million.

Current contract assets mainly concern construction contracts in progress (€167 million) to be invoiced, payments on which are subject to the fulfillment of a performance obligation.

The value at December 31, 2023 of non-current contract liabilities is mainly attributable to distribution operations in Italy (€3,014 million) and Spain (€2,729 million) as a result of the accounting treatment of revenue from connections of new customers, which are deferred over the average duration of the associated contracts.

Current contract liabilities include the contractual liabilities related to revenue from connections to the electricity grid expiring within 12 months in the amount of €1,628 million mainly recognized in Italy and Spain, as well as liabilities for construction contracts in progress (€453 million).

As required under IFRS 15, the following table reports the reversal to profit or loss of contract liabilities by time band.

Millions of euro		
	at Dec. 31, 2023	at Dec. 31, 2022
Within 1 year	2,126	1,775
Within 2 years	568	516
Within 3 years	567	517
Within 4 years	565	516
Within 5 years	564	515
More than 5 years	3,479	3,683
Total	7,869	7,522

29. Other non-current financial assets – €8,750 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Equity investments in other companies measured at fair value	346	366	(20)	-5.5%
Other non-current financial assets included in net financial debt (see note 29.1)	3,837	4,213	(376)	-8.9%
Service concession arrangements	4,391	3,732	659	17.7%
Financial assets in respect of joint development agreements (JDA)	133	-	133	-
Non-current financial prepayments	43	48	(5)	-10.4%
Total	8,750	8,359	391	4.7%

“Other non-current financial assets” increased by €391 million reflecting:

- the increase in financial assets in respect of service concession arrangements, mainly in Brazil;
- the recognition of financial assets in respect of joint development agreements (JDA) in relation to amounts paid by a number of the Group's Italian renewables companies to developers for the development of renewable generation projects; in 2022 those assets were recognized under other non-current assets in the amount of €100 million.

These positive effects were partly offset mainly by the decrease in other non-current financial assets included in net financial debt, as specified in note 29.1, and the decrease in equity investments in other companies following the disposal of the investment in Athonet Srl and the reduction in the value of the investments in Termoeléctrica José de San Martín SA and Termoeléctrica Manuel Belgrano SA.

The following is a breakdown of equity investments in other companies measured at fair value.

Millions of euro					
	at Dec. 31, 2023	% held	at Dec. 31, 2022	% held	Change
Empresa Propietaria de la Red SA	8	11.1%	7	11.1%	1
European Energy Exchange AG	22	2.4%	22	2.4%	-
Athonet Srl	-	-	7	16.0%	(7)
Korea Line Corporation	1	0.3%	1	0.3%	-
Hubject GmbH	11	12.5%	11	12.5%	-
Termoeléctrica José de San Martín SA	3	5.6%	11	24.7%	(8)
Termoeléctrica Manuel Belgrano SA	2	6.2%	9	8.6%	(7)
Zacapa Topco Sàrl	287	19.5%	288	19.5%	(1)
Other	12		10		2
Total	346		366		(20)

29.1 Other non-current financial assets included in net financial debt – €3,837 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Securities	505	447	58	13.0%
Other financial assets	3,332	3,766	(434)	-11.5%
Total	3,837	4,213	(376)	-8.9%

“Securities” at FVOCI are represented by financial instruments in which the Dutch insurance companies invest a portion of their liquidity.

The decrease in “other financial assets” is mainly attributable to a decrease in financial assets for security deposits

(€634 million), mainly in the Endesa Group, partly offset in particular by the increase in financial assets relating to the deficit of the Spanish electricity system (€85 million) and medium- and long-term financial assets (€79 million), mainly in Enel Finance International and Enel Américas.

30. Other current financial assets – €4,329 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Current financial assets included in net financial debt (see note 30.1)	4,148	13,501	(9,353)	-69.3%
Other	181	252	(71)	-28.2%
Total	4,329	13,753	(9,424)	-68.5%

“Other current financial assets” decreased by €9,424 million, mainly reflecting the decrease in current financial as-

sets included in net financial debt, as detailed in note 30.1, and the decrease in accrued financial income.

30.1 Other current financial assets included in net financial debt – €4,148 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Current portion of long-term financial assets	1,007	2,838	(1,831)	-64.5%
Securities at FVOCI	81	78	3	3.8%
Cash collateral and other financial assets in respect of derivatives transactions	2,899	8,319	(5,420)	-65.2%
Other	161	2,266	(2,105)	-92.9%
Total	4,148	13,501	(9,353)	-69.3%

The change in the item is mainly attributable to:

- €5,420 million in respect of a decrease in cash collateral paid to counterparties for derivatives transactions;
- a decrease in “other”, mainly reflecting the decrease in financial assets of:
 - Enel Brasil (€1,212 million), mainly in respect of the recognition in 2022 of the receivables connected to the sale of Celg Distribuição SA – Celg-D (Enel Goiás);
 - Enel X Italia (€581 million), mainly reflecting the collection of financial assets in respect of the assignment of tax credits for building renovations under the “eco-sisma bonus” program in 2022;
 - the decrease in the current portion of long-term financial assets (€1,831 million), mainly due to a decrease in financial assets relating to the deficit of the Spanish electricity system.

31. Other non-current assets – €2,249 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Amounts due from institutional market operators	331	282	49	17.4%
Net assets of personnel programs	42	8	34	-
Tax assets > 12 months	1,487	1,674	(187)	-11.2%
Operating security deposits >12 months	306	301	5	1.7%
Other	83	221	(138)	-62.4%
Total	2,249	2,486	(237)	-9.5%

Amounts due from institutional market operators increased by €49 million on 2022, mainly in Spain in respect of distribution activities.

Tax assets decreased by €187 million, mainly in Brazil in connection with the PIS/COFINS tax dispute (€338 million), partly offset by an increase in tax assets in Italy and Chile.

32. Other current assets – €4,099 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Amounts due from institutional market operators	1,161	1,033	128	12.4%
Advances to suppliers	311	332	(21)	-6.3%
Amounts due from employees	28	30	(2)	-6.7%
Non-monetary grants to be received for environmental certificates	24	16	8	50.0%
Amounts due from others	1,068	1,040	28	2.7%
Sundry tax assets	1,311	1,598	(287)	-18.0%
Current accrued income and prepayments	196	265	(69)	-26.0%
Total	4,099	4,314	(215)	-5.0%

Amounts due from institutional market operators mainly include amounts due in respect of the Italian system in the amount of €700 million (€617 million at December 31, 2022) and the Spanish system in the amount of €422 million (€388 million at December 31, 2022).

The increase was essentially attributable to the increase in amounts receivable in Italy in respect of the Energy and Environmental Services Fund, mainly held by e-distribuzione (€390 million) and Servizio Elettrico Nazionale (€252

million), primarily connected with equalization mechanisms.

The decrease of €287 million in sundry tax assets is mainly attributable to a decrease in credits for indirect taxes and duties recognized by the Parent Company Enel SpA (€274 million) in Italy (€18 million) and Latin America (€108 million), partially offset by an increase in such items in Spain (€146 million) and North America (€58 million).

33. Inventories – €4,290 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Raw and ancillary materials, and consumables:				
- fuels	1,598	2,396	(798)	-33.3%
- materials, equipment and other inventories	2,000	2,137	(137)	-6.4%
Total	3,598	4,533	(935)	-20.6%
Environmental certificates:				
- CO ₂ emissions allowances	514	152	362	-
- guarantees of origin	39	18	21	-
- energy efficiency certificates	-	6	(6)	-
- other environmental certificates	6	-	6	-
Total	559	176	383	-
Buildings held for sale	45	47	(2)	-4.3%
Payments on account	88	97	(9)	-9.3%
TOTAL	4,290	4,853	(563)	-11.6%

Raw and ancillary materials, and consumables consist of materials and equipment used to operate, maintain, and construct power plants and distribution networks, as well as fuel inventories to cover the Group's requirements for generation and trading activities.

The overall decrease in inventories in 2023 (€563 million) is mainly attributable to a decrease in inventories of fuel and

materials, devices and other inventories recorded in Italy (€537 million, of which €166 million in respect of write-downs of coal and other materials), Spain (€363 million) and Latin America (€35 million), notably gas inventories to meet the needs of the Group, partially offset by the increase in CO₂ emissions allowances in Italy.

34. Trade receivables – €17,773 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Customers:				
- electricity sales and transport	11,133	10,216	917	9.0%
- distribution and sale of gas	2,811	3,026	(215)	-7.1%
- other assets	3,646	3,118	528	16.9%
Total trade receivables due from customers	17,590	16,360	1,230	7.5%
Trade receivables due from associates and joint ventures	183	245	(62)	-25.3%
TOTAL	17,773	16,605	1,168	7.0%

Trade receivables due from customers are recognized net of loss allowances, which totaled €3,775 million at the end of the year, compared with a balance of €3,783 million at the end of the previous year.

Specifically, the increase in 2023, totaling €1,168 million, is attributable to an increase in receivables for electricity

sale and transport recognized in the year.

The change was mainly recognized in Italy (€1,810 million), partially offset by the decrease recognized in Spain (€230 million) and Latin America (€231 million).

For more information on trade receivables, please see [note 48 "Financial instruments by category"](#).

35. Cash and cash equivalents – €6,801 million

Cash and cash equivalents, detailed in the following table, decreased by €4,240 million, mainly in Italy and North America, partially offset by an increase in Spain.

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Bank and postal deposits	4,664	8,968	(4,304)	-48.0%
Cash and cash equivalents on hand	23	35	(12)	-34.3%
Other investments of liquidity	2,114	2,038	76	3.7%
Total	6,801	11,041	(4,240)	-38.4%

36. Assets and liabilities included in disposal groups classified as held for sale – €5,919 million and €2,316 million

Changes in assets held for sale in 2023 break down as follows.

Millions of euro		Reclassification from/to current and non- current assets	Disposals and change in the consolidation scope	Impairment	Exchange differences	Investments	Other changes	
	at Dec. 31, 2022							at Dec. 31, 2023
Property, plant and equipment	3,304	3,574	(3,440)	(263)	(59)	820	(228)	3,708
Intangible assets	334	719	(328)	16	(14)	29	(41)	715
Goodwill	-	616	(46)	(1)	3	-	-	572
Deferred tax assets ⁽¹⁾	217	146	(88)	-	(56)	-	(23)	196
Equity-accounted investments	27	116	(142)	-	-	-	-	1
Other non-current assets ⁽²⁾	50	37	(222)	-	-	-	170	35
Non-current financial assets and securities ⁽²⁾	75	-	(29)	-	(45)	-	(1)	-
Non-current financial assets	138	-	(85)	-	(3)	-	(50)	-
Current financial assets and securities	43	1	(20)	-	(32)	-	9	1
Other current financial assets	9	2	(11)	-	-	-	-	-
Cash and cash equivalents	425	259	(320)	-	(40)	-	(63)	261
Inventories, trade receivables and other current assets	1,533	351	(1,479)	-	29	-	(4)	430
Total⁽¹⁾	6,155	5,821	(6,210)	(248)	(217)	849	(231)	5,919

(1) The figures at December 31, 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

(2) At December 31, 2022, "Other non-current assets" included the "Non-current financial assets and securities" reported separately in the table above.

Developments in liabilities break down as follows.

Millions of euro		Reclassification from/to current and non-current liabilities	Disposals and change in the consolidation scope	Exchange differences	Other changes	
	at Dec. 31, 2022					at Dec. 31, 2023
Long-term borrowings	775	663	(908)	(49)	249	730
Provisions for risks and charges, non-current portion	33	33	(34)	-	4	36
Deferred tax liabilities ⁽¹⁾	246	563	(192)	(70)	(42)	505
Post-employment and other employee benefits	23	4	(22)	(3)	3	5
Non-current financial liabilities	69	-	(80)	(2)	23	10
Non-current contract liabilities	442	-	(453)	-	11	-
Other non-current liabilities	179	19	(149)	(8)	13	54
Short-term borrowings	642	217	(189)	(10)	(384)	276
Long-term borrowings, current portion	18	100	(9)	(5)	41	145
Provisions for risks and charges, current portion	33	10	(64)	(2)	32	9
Other current financial liabilities	12	8	(17)	-	6	9
Trade payables and other current liabilities	894	385	(705)	11	(48)	537
Total⁽¹⁾	3,366	2,002	(2,822)	(138)	(92)	2,316

(1) The figures at December 31, 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

The item essentially includes assets measured at the lower of cost, understood as their net carrying amount, and the estimated realizable value, which, due to management decisions, meet the requirements of “IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations” for their classification in this item.

The balances of assets held for sale and associated liabilities at December 31, 2023 came to, respectively, €5,919 million and €2,316 million and mainly refer to:

- 3SUN in Italy: on the basis of the negotiations finalized to the disposal of a 50% stake in the social capital of 3SUN Srl, its net assets have been reclassified as “Non-current assets held for sale and discontinued operations”, in line with IFRS 5;
- North America: assets relating to a renewable portfolio in the United States including about 150 MW of operational geothermal and solar plants;
- Peru: the electricity distribution and supply assets held by Enel Distribución Perú SAA, the advanced energy services assets of Enel X Perú SAC and the generation assets held by Enel Generación Perú, Compañía Energética Veracruz and Enel Generación Piura as, on the basis of the negotiations in place, the requirements set by IFRS 5 have been met;
- Colombia: the Windpeshi wind farm under construction, which based on negotiations under way satisfies the requirements of IFRS 5.

Assets previously classified as held for sale disposed of in 2023 include:

- in the 1st Half of 2023, Enel Generación Costanera, Inversora Dock Sud and Central Dock Sud generation companies were sold in Argentina; Enel Green Power India relinquished control of the net assets held through Avikiran Solar India Private Limited while maintaining a residual interest in the company of 51% of the paid-up share capital;
- in the 3rd Quarter of 2023, the subsidiary Enel Green Power SpA sold 50% of the two companies holding all of the Group renewable assets in Australia, specifically Enel Green Power Australia (Pty) Ltd and Enel Green Power Australia Trust, to INPEX Corporation;
- during the 4th Quarter of 2023, the Enel Group completed through the subsidiary Endesa Generación SAU the sale of the entire stake held in Tecnatom SA.

For more information on the financial effects of the above transactions, please see [note 9 “Main acquisitions and disposals during the year”](#).

Several assets previously classified as discontinued operations were disposed of in 2023. In particular, in the 4th Quarter the Group completed the sale of all the stakes held in Romania. Finally, the sale of a 50% stake in Enel Green Power Hellas was finalized.

For more information on the financial effects of the above transactions, please see [note 7 “Discontinued operations”](#) and [note 9 “Main acquisitions and disposals during the year”](#).

37. Equity – €45,109 million

37.1 Equity attributable to owners of the Parent – €31,755 million

Millions of euro			
	at Dec. 31, 2023	at Dec. 31, 2022	Change
Share capital	10,167	10,167	-
Treasury share reserve	(59)	(47)	(12)
Other reserves	6,551	2,740	3,811
Share premium reserve	7,496	7,496	-
Reserve for equity instruments – perpetual hybrid bonds	6,553	5,567	986
Legal reserve	2,034	2,034	-
Other reserves	2,341	2,332	9
Translation reserve	(5,289)	(5,912)	623
Hedging reserve	(1,393)	(3,553)	2,160
Hedging costs reserve	(38)	(81)	43
Reserve from measurement of financial instruments at FVOCI	10	(22)	32
Reserve from equity-accounted investments	(375)	(476)	101
Actuarial reserve	(1,185)	(1,063)	(122)
Reserve from disposal of equity interests without loss of control	(2,390)	(2,390)	-
Reserve from acquisitions of non-controlling interests	(1,213)	(1,192)	(21)
Retained earnings⁽¹⁾	15,096	15,795	(699)
Equity attributable to owners of the Parent⁽¹⁾	31,755	28,655	3,100

(1) The figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see [note 8 “Restatement of comparative disclosures”](#).

Share capital – €10,167 million

At December 31, 2023 the fully subscribed and paid-up share capital of Enel SpA totaled €10,166,679,946, represented by the same number of ordinary shares with a par value of €1.00 each. Enel SpA's share capital was unchanged compared with the amount reported at December 31, 2022.

At December 31, 2023, based on the shareholders register and the notices submitted to CONSOB and received by the Parent pursuant to Article 120 of Legislative Decree 58 of February 24, 1998, as well as other available information, shareholders with interests of greater than 3% in the Parent's share capital were the Ministry for the Economy and Finance (with a 23.585% stake) and BlackRock Inc. (with a 5.023% stake held for asset management purposes).

Treasury share reserve – €(59) million

At December 31, 2023, treasury shares are represented by 9,262,330 ordinary shares of Enel SpA with a par value of €1.00 each (7,153,795 at December 31, 2022), purchased through an authorized intermediary for a total of €59 million.

Other reserves – €6,551 million

Share premium reserve – €7,496 million

Pursuant to Article 2431 of the Italian Civil Code, the share premium reserve contains, in the case of the issue of shares at a price above par, the difference between the issue price of the shares and their par value, including those resulting from conversion from bonds. The reserve, which is a capital reserve, may not be distributed until the legal reserve has reached the threshold established under Article 2430 of the Italian Civil Code.

Reserve for equity instruments – perpetual hybrid bonds – €6,553 million

This reserve reports the nominal value, net of transaction costs, of the non-convertible subordinated perpetual hybrid bonds denominated in euros for international investors.

The change of €986 million in the reserve reflects the issue of new bonds in the amount of €1,738 million, net of transaction costs, partly offset by the repurchase and subsequent cancellation of previous bonds in the amount of €752 million, including transaction costs.

In 2023, coupons of €182 million were paid to holders of perpetual hybrid bonds.

Legal reserve – €2,034 million

The legal reserve is formed as allocation of part of the net income that, pursuant to Article 2430 of the Italian Civil Code, cannot be distributed as dividends.

Other reserves – €2,341 million

These include €2,215 million related to the remaining portion of the value adjustments carried out when Enel was transformed from a public entity to a joint-stock company. Pursuant to Article 47 of the Uniform Income Tax Code, this amount does not constitute taxable income when distributed.

Translation reserve – €(5,289) million

The increase of €623 million in the period was mainly due to the change in the consolidation scope connected with stakes held in Romania, Inversora Dock Sud and Central Dock Sud and Enel Generación Costanera, as well as the net depreciation of the functional currencies used by foreign subsidiaries, mainly in Chile and the United States, against the euro (presentation currency of the Parent).

Hedging reserve – €(1,393) million

This includes the net expense recognized in equity from the measurement of hedging derivatives. The change in the period is mainly attributable to developments in commodity prices.

Hedging costs reserve – €(38) million

In application of IFRS 9, this reserve includes the fair value gains and losses on currency basis points and forward points. The change in 2023 is mainly attributable to developments in commodity prices.

Reserve from measurement of financial instruments at FVOCI – €10 million

This includes net unrealized fair value losses on financial assets.

Reserve from equity-accounted investments – €(375) million

The reserve reports the share of comprehensive income to be recognized directly in equity of equity-accounted investees. The change in 2023 is mainly attributable to the change in the hedging reserve of Slovak Power Holding.

Actuarial reserve – €(1,185) million

This reserve includes actuarial gains and losses in respect of employee benefit liabilities, net of tax effects.

Reserve from disposal of equity interests without loss of control – €(2,390) million

This item mainly reports:

- the gain posted on the public offering of Enel Green Power shares, net of expenses associated with the disposal and the related taxation;
- the sale of non-controlling interests recognized as a result of the Enersis (now Enel Américas and Enel Chile) capital increase;

- the capital loss, net of expenses associated with the disposal and the related taxation, from the public offering of 21.92% of Endesa;
- the disposal to third parties of the non-controlling interest in Enel Green Power North America Renewable Energy Partners;
- the effects of the merger into Enel Américas of Endesa Américas and Chilectra Américas;
- the effects of the disposal of a 49% stake held by Enel Green Power Canada in Pincher Creek LP and Riverview LP.

Reserve from acquisitions of non-controlling interests – €(1,213) million

This reserve mainly includes the surplus of acquisition prices with respect to the carrying amount of the equity acquired following the acquisition from third parties of

further interests in companies already controlled in Latin America.

The change for the year (–€21 million) mainly reflects the effects of the merger of Enel Green Power Perú, Energética Monzón and Empresa de Generación Eléctrica Los Pinos (merged entities) into Enel Generación Perú (acquiring entity), changing the interest held by the Group in those companies.

Retained earnings – €15,096 million

This reserve reports earnings from previous years that have not been distributed or allocated to other reserves.

The table below shows the changes in gains and losses recognized directly in other comprehensive income, including non-controlling interests, with specific reporting of the related tax effects.

Millions of euro												
at Dec. 31, 2022						Changes				at Dec. 31, 2023		
	Total	Of which owners of the Parent	Of which non-controlling interests	Gains/ (Losses) recognized in equity during the year	Released to profit or loss	Taxes	Total	Of which owners of the Parent	Of which non-controlling interests	Total	Of which owners of the Parent	Of which non-controlling interests
Translation reserve	(10,900)	(5,424)	(5,476)	(504)	–	–	(504)	(415)	(89)	(11,404)	(5,839)	(5,565)
Hedging reserve	(4,656)	(3,573)	(1,083)	1,146	2,512	(947)	2,711	2,111	600	(1,945)	(1,462)	(483)
Hedging costs reserve	(111)	(91)	(20)	75	(16)	(10)	49	43	6	(62)	(48)	(14)
Reserve from measurement of financial instruments at FVOCI	(33)	(32)	(1)	12	–	(1)	11	15	(4)	(22)	(17)	(5)
Share of OCI of equity-accounted associates	(586)	(601)	15	92	–	6	98	97	1	(488)	(504)	16
Reserve from measurement of equity investments in other companies	(19)	(19)	–	3	–	–	3	3	–	(16)	(16)	–
Actuarial reserve	(1,474)	(1,016)	(458)	(217)	–	66	(151)	(120)	(31)	(1,625)	(1,136)	(489)
Total gains/ (losses) recognized in equity	(17,779)	(10,756)	(7,023)	607	2,496	(886)	2,217	1,734	483	(15,562)	(9,022)	(6,540)

37.2 Dividends

	Amount distributed (millions of euro)	Dividend per share (euro)
Dividends distributed in 2022		
Dividends for 2021	3,861	0.38
Interim dividends for 2022 ⁽¹⁾	-	-
Special dividends	-	-
Total dividends distributed in 2022	3,861	0.38
Dividends distributed in 2023		
Dividends for 2022	4,064	0.40
Interim dividends for 2023 ⁽²⁾	-	-
Special dividends	-	-
Total dividends distributed in 2023	4,064	0.40

- (1) Approved by the Board of Directors on November 3, 2022 and paid as from January 25, 2023 (interim dividend of €0.20 per share for a total of €2,033 million).
- (2) Approved by the Board of Directors on November 7, 2023 and paid as from January 24, 2024 (interim dividend of €0.215 per share for a total of €2,186 million).

Dividends distributed are shown net of amounts due to treasury shares at the respective "record dates". These shares were waived for collection and allocated to "retained earnings".

The dividend for 2023, is equal to €0.43 per share, for a total of €4,372 million (of which €0.215 per share for a total of €2,186 million already paid as an interim dividend). It will be proposed to the Shareholders' Meeting of May 23, 2024 at single call.

These consolidated financial statements do not take account of the effects of the distribution to shareholders of the dividend for 2023, except for the liability in respect of shareholders for the interim dividend for 2023, which was approved by the Board of Directors on November 7, 2023 for a potential maximum of €2,186 million, and paid as from January 24, 2024 net of the portion pertaining to the 10,085,106 treasury shares held as at the record date of January 23, 2024.

In 2023 the Group also paid €182 million in coupons to holders of perpetual hybrid bonds.

Capital management

The Group's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Group. In particular, the Group seeks to maintain an adequate capitalization that enables it to achieve a satisfactory return for shareholders and ensure access to external sources of financing, in part by maintaining an adequate rating.

In this context, the Group manages its capital structure and adjusts that structure when changes in economic conditions so require. There were no substantive changes in objectives, policies or processes in 2023.

To this end, the Group constantly monitors developments in the level of its debt in relation to equity. The situation at December 31, 2023 and 2022 is summarized in the following table.

Millions of euro			
	at Dec. 31, 2023	at Dec. 31, 2022	Change
Non-current financial debt	61,093	68,191	(7,098)
Net current financial position	2,907	(3,315)	6,222
Non-current financial assets and long-term securities	(3,837)	(4,213)	376
Net financial debt⁽¹⁾	60,163	60,663	(500)
Equity attributable to owners of the Parent	31,755	28,655	3,100
Non-controlling interests	13,354	13,425	(71)
Equity⁽²⁾	45,109	42,080	3,029
Debt/equity ratio	1.33	1.44	(0.11)

- (1) In order to facilitate analysis of developments in Group net financial debt, thereby ensuring greater comparability over time, management has decided to exclude the fair value of the cash flow hedge and fair value hedge derivatives used to hedge the exchange rate risk on loans. Accordingly, in order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022.
- (2) The figures for 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see note 8 "Restatement of comparative disclosures".

The decrease in the debt/equity ratio, which measures financial leverage, is essentially attributable to the increase in equity as a result of profit for the year, the increase in reserves from the measurement of cash flow hedge derivatives and the change in the scope of the reserve for the translation of financial statements in foreign currency, only

partly offset by dividend distributions. The reduction in net financial debt further contributed to the decline.

See [note 47](#) for a breakdown of the individual items in the table.

37.3 Non-controlling interests – €13,354 million

The following table presents the composition of non-controlling interests by geographical area.

Millions of euro	Non-controlling interests		Profit for the year attributable to non-controlling interests	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Italy	-	1	-	-
Iberia	5,470	5,321	192	713
Latin America	7,665	7,422	666	857
Europe	-	328	3	(342)
North America	151	218	(39)	10
Africa, Asia and Oceania	68	135	7	-
Total	13,354	13,425	829	1,238

The change in non-controlling interests mainly reflects the effect of the dividends distributed and the disposal of equity stakes in Romania. These effects were offset by the results for the period, the impact of hyperinflation and the value adjustment of cash flow hedge instruments.

The financial disclosure requirements of IFRS 12 for sub-

sidaries with significant non-controlling interests are reported below.

The figures at December 31, 2022 have been adjusted to take account of the effects of the Amendment to IAS 12, which took effect for annual reporting periods beginning on or after January 1, 2023. For more information, please see [note 8 "Restatement of comparative disclosures"](#).

Millions of euro	Non-current assets		Current assets		Total assets	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Subsidiaries						
Enel Américas	27,578	29,635	8,459	5,430	36,037	35,065
Enel Chile	10,810	11,094	1,722	1,541	12,532	12,635
Endesa	43,701	45,125	4,033	11,166	47,734	56,291

Millions of euro	Non-current liabilities		Current liabilities		Total liabilities		Equity		Equity attributable to owners of the Parent		Non-controlling interests	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Subsidiaries												
Enel Américas	10,466	11,569	7,314	6,208	17,780	17,777	18,257	17,288	12,936	12,136	5,321	5,152
Enel Chile	3,706	4,222	2,730	2,460	6,436	6,682	6,096	5,953	3,753	3,683	2,343	2,270
Endesa	16,018	18,523	10,045	17,372	26,063	35,895	21,671	20,396	16,202	15,081	5,469	5,315

Millions of euro	Total revenue		Pre-tax profit		Profit from continuing operations		Profit attributable to owners of the Parent		Profit attributable to non-controlling interests	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Subsidiaries										
Enel Américas	13,400	14,696	1,639	1,015	877	221	504	(90)	373	311
Enel Chile	4,678	6,450	996	1,971	748	1,458	456	913	292	545
Endesa	25,423	32,714	839	3,055	595	2,244	402	1,534	193	710

38. Borrowings

Millions of euro	Non-current		Current	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Long-term borrowings	61,085	68,191	9,086	2,835
Short-term borrowings	-	-	4,769	18,392
Total	61,085	68,191	13,855	21,227

For more information on the nature of borrowings, please see [note 48.2 "Financial liabilities by category"](#).

39. Employee benefits – €2,320 million

The Group provides its employees with a variety of benefits, including deferred compensation benefits, additional months' pay for having reached age limits or eligibility for old-age pension, loyalty bonuses for achievement of seniority milestones, supplemental retirement and health-care plans, residential electricity discounts and similar benefits. More specifically:

- for Italy, the item "pension benefits" regards estimated accruals made to cover benefits due under the supplemental retirement schemes of retired executives and the benefits due to personnel under law or contract at the time the employment relationship is terminated. For the foreign companies, the item refers to post-employment benefits, of which the most material regard the pension benefit schemes of Endesa in Spain, which break down into three types that differ on the basis of employee seniority and company. In general, under the framework agreement of October 25, 2000, employees participate in a specific defined contribution pension plan and, in cases of disability or death of employees in service, a defined benefit plan which is covered by appropriate insurance policies. In addition, the group has two other limited-enrollment plans (i) for current and retired Endesa employees covered by the electricity industry collective bargaining agreement prior to the changes introduced with the framework agreement noted earlier and (ii) for employees of the Catalan

companies merged in the past (Fecsa/Enher/HidroEmpordà). Both are defined benefit plans and benefits are fully insured, with the exception of the former plan for benefits in the event of the death of a retired employee. Finally, the Brazilian companies have also established defined benefit plans;

- the item "electricity discount" comprises benefits regarding electricity supply associated in particular with foreign companies;
- the item "health insurance" refers to benefits for current or retired employees covering medical expenses;
- the item "other benefits" mainly regards the loyalty bonus, which is adopted in various countries and for Italy is represented by the estimated liability for the benefit entitling employees covered by the electricity workers national collective bargaining agreement to a bonus for achievement of seniority milestones (25th and 35th year of service). It also includes other incentive plans, which provide for the award to certain Company managers of a monetary bonus subject to specified conditions.

The following table reports changes in the defined benefit obligation for post-employment and other long-term employee benefits at December 31, 2023, and December 31, 2022, respectively, as well as a reconciliation of that obligation with the actuarial liability.

Millions of euro	2023					2022				
	Pension benefits	Electricity discount	Health insurance	Other benefits	Total	Pension benefits	Electricity discount	Health insurance	Other benefits	Total
CHANGES IN ACTUARIAL OBLIGATION										
Change in actuarial obligation previous year										
Actuarial obligation at the start of the year	3,765	224	162	118	4,269	4,240	410	206	190	5,046
Current service cost	9	1	3	(1)	12	13	1	5	13	32
Interest expense	336	8	9	4	357	320	7	8	5	340
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-	2	2	-	-	-	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	224	8	6	3	241	(533)	(93)	(38)	(18)	(682)
Experience adjustments	(43)	(12)	6	1	(48)	119	(80)	8	1	48
Past service cost	-	-	-	-	-	(3)	-	-	-	(3)
(Gains)/Losses arising from settlements	-	-	-	-	-	(163)	-	-	-	(163)
Exchange differences	145	1	4	(4)	146	335	-	6	(1)	340
Employer contributions	-	-	-	-	-	-	-	-	-	-
Employee contributions	-	-	-	-	-	-	-	-	-	-
Benefits paid	(393)	(14)	(14)	(17)	(438)	(470)	(15)	(13)	(44)	(542)
Other changes	-	-	-	-	-	-	-	-	(6)	(6)
Reclassification to assets	41	-	-	-	41	8	-	-	-	8
Liabilities included in disposal groups classified as held for sale	1	-	-	(4)	(3)	(101)	(6)	(20)	(22)	(149)
Actuarial obligation at year-end (A)	4,085	216	176	102	4,579	3,765	224	162	118	4,269
CHANGES IN PLAN ASSETS										
Fair value of plan assets at the start of the year	2,124	-	-	-	2,124	2,348	-	-	-	2,348
Interest income	200	-	-	-	200	193	-	-	-	193
Expected return on plan assets excluding amounts included in interest income	(52)	-	-	-	(52)	(184)	-	-	-	(184)
Exchange differences	89	-	-	-	89	213	-	-	-	213
Employer contributions	331	14	14	11	370	286	15	13	22	336
Employee contributions	-	-	-	-	-	-	-	-	-	-
Benefits paid	(393)	(14)	(14)	(11)	(432)	(470)	(15)	(13)	(22)	(520)
Other payments	-	-	-	-	-	(163)	-	-	-	(163)
Changes in the consolidation scope	-	-	-	-	-	(99)	-	-	-	(99)
Fair value of plan assets at year-end (B)	2,299	-	-	-	2,299	2,124	-	-	-	2,124
EFFECT OF ASSET CEILING										
Asset ceiling at the start of the year	57	-	-	-	57	26	-	-	-	26
Interest income	6	-	-	-	6	2	-	-	-	2
Changes in asset ceiling	(26)	-	-	-	(26)	27	-	-	-	27
Exchange differences	3	-	-	-	3	2	-	-	-	2
Changes in the consolidation scope	-	-	-	-	-	-	-	-	-	-
Asset ceiling at year-end (C)	40	-	-	-	40	57	-	-	-	57
Net liability in statement of financial position (A-B+C)	1,826	216	176	102	2,320	1,698	224	162	118	2,202

The liability recognized came to €2,320 million, an increase of €118 million on 2022 mainly reflecting impairment losses recognized in reflection of a change in the financial assumptions following the general adverse developments in rates (discount and inflation rates). In addition to normal annual changes, in 2023, the actuarial liabilities of Enel Generación Perú SAA and Enel Distribución Perú

SAA in Peru were reclassified as held for sale. Furthermore, the actuarial measurement of a plan of Asociación Nuclear Ascó-Vandellós II AIE, in Spain, showed a surplus with respect to the obligation assumed by the company, and was thus reclassified in a specific asset item of the balance sheet.

Millions of euro	2023	2022
(Gains)/Losses taken to profit or loss		
Service cost and past service cost	17	22
Net interest expense	163	149
(Gains)/Losses arising from settlements	-	-
Actuarial (gains)/losses on other long-term benefits	(5)	7
Other changes	5	(20)
Total	180	158

Millions of euro	2023	2022
Change in (gains)/losses in OCI		
Expected return on plan assets excluding amounts included in interest income	52	184
Actuarial (gains)/losses on defined benefit plans	190	(614)
Changes in asset ceiling excluding amounts included in interest income	(26)	27
Other changes	1	-
Total	217	(403)

The change in the cost recognized in profit or loss was equal to €22 million. The impact on the income statement is, therefore, greater but essentially in line with 2022. The liability recognized in the statement of financial position at the end of the year is reported net of the fair value of plan assets, amounting to €2,299 million at December 31,

2023. The item "actuarial (gains)/losses on defined benefit plans" shows an increase on 2022, following the decrease in interest rates, compared to the strong increase in 2022. Those assets, which are entirely in Spain and Brazil, break down as follows.

%	2023	2022
Investments quoted in active markets		
Equity instruments	4	10
Fixed-income securities	73	66
Investment property	3	3
Other	20	21
Unquoted investments		
Assets held by insurance undertakings	-	-
Other	-	-
Total	100	100

The main actuarial assumptions used to calculate the liabilities in respect of employee benefits and the plan as-

sets, which are consistent with those used the previous year, are set out in the following table.

	Italy	Iberia	Latin America	Other countries	Italy	Iberia	Latin America	Other countries
	2023				2022			
Discount rate	3.30%-3.40%	3.14%-3.47%	5.31%-10.09%	7.20%	3.60%-3.70%	3.57%-3.77%	5.40%-10.40%	3.75%-7.65%
Inflation rate	2.30%	2.57%	3.00%-7.58%		2.30%	2.78%	3.00%-8.00%	2.40%-3.50%
Rate of wage increases	2.30%-4.30%	2.57%	4.55%-10.00%	10.00%	2.30%-4.30%	2.78%	3.80%-8.49%	3.00%-10.00%
Rate of increase in healthcare costs	3.30%	4.77%	7.63%-10.00%		3.30%	4.98%	7.12%-10.00%	-
Expected rate of return on plan assets	-	3.22%-3.31%	9.99%-10.09%		-	3.76%-3.77%	10.40%	7.40%

The following table reports the outcome of a sensitivity analysis that demonstrates the effects on the defined benefit obligation of changes reasonably possible at the

end of the year in the actuarial assumptions used in estimating the obligation.

	Pension benefits	Electricity discount	Health insurance	Other benefits	Pension benefits	Electricity discount	Health insurance	Other benefits
	at Dec. 31, 2023				at Dec. 31, 2022			
Decrease of 0.5% in discount rate	147	8	5	(6)	185	2	6	(17)
Increase of 0.5% in discount rate	(188)	(14)	(9)	(12)	(118)	(22)	(9)	(23)
Increase of 0.5% in inflation rate	(49)	(4)	(9)	(12)	16	(11)	(8)	(21)
Decrease of 0.5% in inflation rate	(30)	(4)	5	(6)	37	(10)	6	(16)
Increase of 0.5% in remuneration	(28)	(4)	(19)	18	29	(10)	(2)	(17)
Increase of 0.5% in pensions currently being paid	(28)	(4)	(19)	11	28	(10)	(2)	(20)
Increase of 1% in healthcare costs	-	-	(164)	-	-	-	(147)	-
Increase of 1 year in life expectancy of active and retired employees	16	2	(15)	12	55	(9)	5	(17)

The sensitivity analysis used an approach that extrapolates the effect on the defined benefit obligation of reasonable changes in an individual actuarial assumption, leaving the other assumptions unchanged.

The contributions expected to be paid into defined benefit plans in the subsequent year amount to €243 million.

The following table reports expected benefit payments in the coming years for defined benefit plans.

Millions of euro	at Dec. 31, 2023	at Dec. 31, 2022
Within 1 year	447	427
In 1-2 years	407	397
In 2-5 years	1,120	1,124
More than 5 years	1,739	1,826

40. Provisions for risks and charges – €7,312 million

Millions of euro						
	at Dec. 31, 2023			at Dec. 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Provision for litigation, risks and other charges:						
- nuclear decommissioning	571	-	571	581	-	581
- site retirement, removal and restoration	2,517	160	2,677	2,686	247	2,933
- litigation	663	39	702	652	51	703
- environmental certificates	-	250	250	-	292	292
- taxes and duties	295	19	314	313	26	339
- other	1,053	425	1,478	803	316	1,119
Total	5,099	893	5,992	5,035	932	5,967
Provision for early retirement incentives and other restructuring plans	154	128	282	231	192	423
Provision for restructuring programs connected with the energy transition	765	273	1,038	789	201	990
TOTAL	6,018	1,294	7,312	6,055	1,325	7,380

Millions of euro											
	at Dec. 31, 2022										at Dec. 31, 2023
	Accrual	Reversal	Utilization	Discounting	Provisions for site retirement and restoration	Change in the consolidation scope	Exchange differences	Other changes	Reclassifications of liabilities included in disposal groups held for sale		
Provision for litigation, risks and other charges:											
- nuclear decommissioning	581	-	-	-	17	(27)	-	-	-	-	571
- site retirement removal and restoration	2,933	47	(47)	(161)	-	(15)	-	(10)	(37)	(33)	2,677
- litigation	703	188	(105)	(118)	36	-	-	6	-	(8)	702
- environmental certificates	292	241	-	(313)	-	-	-	-	30	-	250
- taxes and duties	339	18	(19)	(40)	6	-	-	2	9	(1)	314
- other	1,119	519	(24)	(151)	1	5	-	(8)	18	(1)	1,478
Total	5,967	1,013	(195)	(783)	60	(37)	-	(10)	20	(43)	5,992
Provision for early retirement incentives and other restructuring plans	423	28	(11)	(174)	18	-	-	-	(2)	-	282
Provision for restructuring programs connected with the energy transition	990	209	(6)	(184)	35	-	-	-	(6)	-	1,038
TOTAL	7,380	1,250	(212)	(1,141)	113	(37)	-	(10)	12	(43)	7,312

Nuclear decommissioning provision

At December 31, 2023 the provision reflected solely the costs that would be incurred at the time of decommissioning of nuclear plants by Enresa, a Spanish public entity responsible for such activities in accordance with Royal Decree 1349/2003 and Law 24/2005. In general, the costs are quantified on the basis of a standard contract between Enresa and the electricity companies approved by the Ministry for the Economy, which regulates the retirement

and closing of nuclear power plants. The time horizon envisaged, three years, corresponds to the period from the termination of power generation to the transfer of plant management to Enresa (so-called post-operational costs) and takes account, among the various assumptions used to estimate the amount, of the quantity of unused nuclear fuel expected at the date of closure of each of the Spanish nuclear plants on the basis of the provisions of the concession agreement.

Site retirement, removal and restoration provision

This provision represents the present value of the estimated cost for the retirement and removal of non-nuclear plants where there is a legal or constructive obligation to do so. The provision mainly regarded the Endesa Group and Enel Produzione. The change in the provision in 2023

was mainly linked to the uses and releases of provisions set aside in previous years to deal with the decarbonization process, mainly in Italy, Spain and Chile.

The following table summarizes the temporal breakdown of payments connected with the site retirement, removal and restoration provision.

Millions of euro		
	Payments by time bracket (nominal value)	Discounted amount
Within 1 year	276	258
In 1-5 years	1,147	1,045
More than 5 years	2,636	1,374
Total	4,059	2,677

Litigation provision

The litigation provision covers contingent liabilities in respect of pending litigation and other disputes. It includes an estimate of the potential liability relating to disputes that arose during the year, as well as revised estimates of the potential costs associated with disputes initiated in prior years, based on the indications of internal and external consultants. The balance for litigation mainly regards the companies in Latin America (€396 million), Spain (€158 million) and Italy (€116 million).

The amount is virtually unchanged compared with 2022, as the decrease associated with higher uses and releases in Brazil was offset by new accruals.

charges on positions that have not yet been assessed by the Revenue Agency and municipalities.

Other provisions

Other provisions cover various risks and charges, mainly in connection with regulatory disputes and disputes with local authorities regarding various duties and fees or other charges.

The increase of €342 million in other provisions is mainly attributable to Enel Reinsurance for accruals of provisions for insurance claims (€217 million) and provisions for regulatory measures, atmospheric events and faults.

Provision for environmental certificates

The provision for environmental certificates covers costs in respect of shortfalls in the environmental certificates need for compliance with national or supranational environmental protection requirements and mainly regards Iberia (Endesa Energía and Endesa Generación SA).

Provision for taxes and duties

The provision for taxes and duties covers the estimated liability deriving from tax disputes concerning direct and indirect taxes.

The balance of the provision also includes the provision for current and potential disputes concerning local property tax (whether the *Imposta Comunale sugli Immobili* - ICI or the *Imposta Municipale Unica* - IMU) in Italy. In Italy, the Group has taken due account of developments in land registry regulations (which with effect from January 1, 2016 excluded machinery, devices, equipment and other plant specific to a production process from the calculation of the imputed rent for buildings classified in land registry group D, which includes generation plants) in estimating the liability for such taxes, both for the purposes of quantifying the probable risk associated with pending litigation and generating a reasonable valuation of probable future

Provision for early retirement incentives and other restructuring plans

The provision for early retirement incentives and other restructuring plans includes the estimated charges related to binding agreements for the voluntary termination of employment contracts in response to organizational needs. The reduction of €141 million for the year mainly reflects uses of provisions for incentives established in previous period in Spain and Italy to cover the early termination of employment for certain employees.

Provision for restructuring programs connected with the energy transition

Enel, in its role as a leader of the energy transition, has placed decarbonization and growth of renewables around the world at the center of its strategy.

In this context, Enel has begun restructuring the activities associated with the energy transition process, which involves thermal generation plants in all the geographical areas in which the Group operates. The consequent revision of processes and operating models will require changes in the roles and skills of employees, which the Group intends to implement with highly sustainable plans based on redeployment programs, with major upskilling and reskilling plans and voluntary individual early retirement

agreements. The energy transition is also based on the progressive and expansive development of digital tools, as digitization is essential to responding to multiple external forces and making informed and well-considered decisions at every level within the Group.

A provision was therefore established in 2020 for restructuring programs, which at December 31, 2023 amounted to €1,038 million, which is mainly attributable to Spain and

Italy, and represents the estimated costs that the Group will incur following the acceleration of the energy transition, for all direct and indirect activities related to the review of processes and operating models and the roles and skills of employees. New accruals in 2023 mainly regard Spain following the adjustment of €177 million to the provision for the *Acuerdo Voluntario de Salida* (AVS) plan.

41. Other non-current financial liabilities – €8 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Other non-current financial liabilities	8	-	8	-
Total	8	-	8	-

The change in “other non-current financial liabilities” came to €8 million and regards the recognition of non-current

financial liabilities in respect of the Spanish electrical system deficit, which were included in net financial debt.

42. Other non-current liabilities – €4,236 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Accrued operating expenses and deferred income	464	347	117	33.7%
Liabilities with equalization funds/market and energy services operators	307	205	102	49.8%
Liabilities for tax partnerships > 12 months	1,262	1,322	(60)	-4.5%
Sundry non-current payments on account	348	-	348	-
Other items	1,855	2,372	(517)	-21.8%
Total	4,236	4,246	(10)	-0.2%

The change in “other items” reflected the decrease in “other liabilities” mainly relating to the outcome of the PIS/COFINS dispute in Brazil (already discussed under “Other non-current assets”) in the amount of €401 million. The

item “sundry non-current payments on account” reports the collection by e-distribuzione of €348 million in respect of the 10% advance payment of the grant for 24 projects awarded NRRP subsidies.

43. Other current liabilities – €14,760 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Amounts due to customers	1,882	2,094	(212)	-10.1%
Amounts due to institutional market operators	5,479	2,115	3,364	-
Amounts due to employees	503	519	(16)	-3.1%
Other tax liabilities	1,034	1,046	(12)	-1.1%
Amounts due to social security institutions	235	215	20	9.3%
Current accrued expenses and deferred income	314	441	(127)	-28.8%
Liabilities for closed energy commodity derivatives	437	285	152	53.3%
Dividends	2,470	2,228	242	10.9%
Liabilities for tax partnerships < 12 months	271	241	30	12.4%
Sundry current payments on account	144	201	(57)	-28.4%
Other liabilities	1,991	2,328	(337)	-14.5%
Total	14,760	11,713	3,047	26.0%

The change in “other current liabilities” mainly reflects:

- the decrease in “amounts due to customers”, which mainly reports the change in security deposits from customers in Italy in line with the decrease in the number of customers served by market companies, offset by the increase in trade receivables following the restoration of distribution system costs. In Italy, the item also includes the decrease in various sundry amounts due to customers, mainly for the amounts relating to VAT recovery on uncollected receivables, amounts available to customers and refunds to be made, on behalf of the distribution companies, to customers moved from the regulated market to the free market for exceeding rate limits in previous years. The decrease was offset by the increase, in the distribution segment, in amounts collected and in processing and in liabilities for indemnities;
- the increase in “amounts due to institutional market

operators”, mainly attributable to Italy, and in particular e-distribuzione SpA, for the progressive restoration, in 2023, of charges relating to the support of renewable energy and cogeneration, and of other charges (Asos and Arim components) determined in ARERA Resolutions nos. 735/2022, 134/2023, 297/2023 and 419/2023, and Spain, in particular Edistribución Redes Digitales, for an increase in amounts due to the local regulator *Comisión Nacional de los Mercados y la Competencia* (CNMC);

- the increase in liabilities for “dividends” to be distributed to shareholders, essentially those of the Parent Company Enel SpA and the Spanish subsidiary Endesa SA;
- the increase in liabilities in respect of derivatives to be settled on energy commodities in Italy;
- the decrease in “other liabilities”, mainly attributable to a decline in liabilities in Spain and Brazil.

44. Trade payables – €15,821 million

The item amounted to €15,821 million (€17,641 million at December 31, 2022) and includes payables in respect of electricity supplies, fuel, materials, equipment associated with tenders, and other services.

More specifically, trade payables falling due in less than 12 months amounted to €15,487 million (€17,605 million at December 31, 2022) while those falling due in more than 12 months amounted to €334 million (€36 million at December 31, 2022).

45. Other current financial liabilities – €909 million

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Accrued financial expense and deferred financial income	734	710	24	3.4%
Other current financial liabilities included in net financial debt	1	-	1	-
Other liabilities	174	143	31	21.7%
Total	909	853	56	6.6%

The increase in other current financial liabilities is mainly attributable to the increase in accrued financial expense. The item also includes current financial liabilities in re-

spect of the deficit of the Spanish electrical system in the amount of €1 million included in net financial debt.

Information on the consolidated statement of cash flows

46. Cash flows

Millions of euro			
	2023	2022	Change
Cash and cash equivalents at the beginning of the year⁽¹⁾	11,543	8,990	2,553
Cash flows from operating activities ⁽²⁾	14,620	8,649	5,971
<i>of which discontinued operations</i>	<i>132</i>	<i>(391)</i>	
Cash flows from/(used in) investing activities	(10,610)	(13,626)	3,016
<i>of which discontinued operations</i>	<i>(442)</i>	<i>(351)</i>	
Cash flows from financing activities ⁽²⁾	(8,361)	7,394	(15,755)
<i>of which discontinued operations</i>	<i>(16)</i>	<i>656</i>	
Impact of exchange rate fluctuations on cash and cash equivalents	(49)	136	(185)
Cash and cash equivalents at the end of the year⁽³⁾	7,143	11,543	(4,400)

- (1) Of which cash and cash equivalents equal to €11,041 million at January 1, 2023 (€8,315 million at January 1, 2022), short-term securities equal to €78 million at January 1, 2023 (€88 million at January 1, 2022), cash and cash equivalents pertaining to "Assets classified as held for sale" in the amount of €98 million at January 1, 2023 (€44 million at January 1, 2022) and cash and cash equivalents pertaining to "Discontinued operations" equal to €326 million at January 1, 2023 (€543 million at January 1, 2022).
- (2) In order to improve presentation, for comparative purposes only, realized financial income and expense connected solely with borrowings have been re-classified from "Collections/(Payments) associated with derivatives connected with borrowings" in the section on cash flows from financing activities to the items "Interest income and other financial income collected" and "Interest expense and other financial expense paid" included in cash flows from operating activities.
- (3) Of which cash and cash equivalents equal to €6,801 million at December 31, 2023 (€11,041 million at December 31, 2022), short-term securities equal to €81 million at December 31, 2023 (€78 million at December 31, 2022), cash and cash equivalents pertaining to "Assets classified as held for sale" in the amount of €261 million at December 31, 2023 (€98 million at December 31, 2022) and cash and cash equivalents pertaining to "Discontinued operations" equal to €326 million at December 31, 2022.

Cash flows from operating activities in 2023 was a positive €14,620 million, an increase of €5,971 million on 2022, mainly attributable to lower cash requirements connected with changes in net working capital.

Cash flows used in investing activities in 2023 came to €10,610 million, from €13,626 million in 2022. More specifically, investments in property, plant and equipment, intangibles, property investment and contract assets came to €13,563 million (including €849 million classified as available for sale), a decrease on 2022.

Investments in companies or business units, net of cash and cash equivalents acquired, amount to €17 million (in 2022 they came to €1,275 million and mainly referred to the acquisition by Enel Produzione SpA of 100% of ERG Hydro Srl (now Enel Hydro Appennino Centrale Srl), for a consideration of €1,196 million net of cash and cash equivalents acquired of €69 million.

Disposals of businesses or business units, net of cash and cash equivalents sold, amount to €2,083 million and mainly refer to:

- the sale by Enel Argentina of the entire stake held in Enel Generación Costanera for €28 million, net of cash and cash equivalents sold of €14 million;
- the sale by Enel Green Power India Private Limited of the entire stake held in Khidrat Renewable Energy Private Limited for €4 million;

- the sale to YPF and Pan American Sur SA of the stakes held in Inversora Dock Sud SA and Central Dock Sud SA, for a total amount of about €29 million, net of cash and cash equivalents sold of €19 million;
- the sale of 80% of the stake held in the Colombian bus company Colombia ZE SAS for about €6 million;
- the sale of 50% of the two companies holding all the Group assets dedicated to renewables in Australia, more specifically Enel Green Power Australia (Pty) Ltd and Enel Green Power Australia Trust, to INPEX Corporation, for a total amount of €121 million, net of cash and cash equivalents sold of €21 million;
- the sale of the stakes held in Romania for a total amount of €1,013 million, net of cash and cash equivalents sold of €228 million;
- the sale of the interest held in Transmisora de Energía Renovable, in Guatemala, for a total of €22 million, net of cash and cash equivalents sold of €11 million;
- the sale to Sonnedix of the interest held by Enel Chile in Arcadia Generación Solar SA, for a total of €533 million, net of cash and cash equivalents sold of €2 million;
- the sale of 50% of Enel Green Power Hellas, Enel Green Power wholly-owned subsidiary dedicated to renewables in Greece, to Macquarie Asset Management, for a total of €322 million, net of cash and cash equivalents sold of €29 million.

Cash flows from/(used in) other investing activities in 2023 came to €474 million and mainly reflects:

- the sale of the entire stake held in Tecnatom SA for a total of €26 million. The transaction had no impact on profit or loss;
- the sale of the stake held in Rusenergosbyt LLC for €83 million;
- minor disposals mainly in Italy, Iberia, North America and Latin America.

Cash flows from financing activities came to a negative €8,361 million, compared with a positive €7,394 million in 2022, mainly reflecting:

- the change in net financial debt (as the balance between repayments, new borrowings and other changes) of €3,985 million;
- distribution of dividends in the amount of €5,135 mil-

lion, plus €182 million paid to holders of perpetual hybrid bonds;

- the issue of hybrid bonds in the amount of €986 million;
- capital increases in subsidiaries with no change in control in the amount of €25 million, particularly in Australia.

In 2023, cash flow used in investing activities of €10,610 million and financing activities of €8,361 million fully absorbed the cash flows from operating activities in the amount of €14,620 million. The difference is reflected in a decrease in cash and cash equivalents, which at December 31, 2023 came to €7,143 million, from €11,543 million at the end of 2022. The change was also affected by effects associated with negative developments in the exchange rates of local currencies against the euro, in the amount of €49 million.

47. Net financial position and long-term financial assets and securities – €60,163 million

The following table shows the net financial position and long-term financial assets and securities on the basis of the items on the statement of consolidated financial position.

Millions of euro					
	Notes	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Long-term borrowings	38	61,085	68,191	(7,106)	-10.4%
Other non-current financial borrowings ⁽¹⁾	41	8	-	8	-
Short-term borrowings	38	4,769	18,392	(13,623)	-74.1%
Other current financial borrowings ⁽²⁾		1	-	1	-
Current portion of long-term borrowings	38	9,086	2,835	6,251	-
Other non-current financial assets included in net financial debt	29.1	(3,837)	(4,213)	376	8.9%
Other current financial assets included in net financial debt	30.1	(4,148)	(13,501)	9,353	69.3%
Cash and cash equivalents	35	(6,801)	(11,041)	4,240	38.4%
Total⁽³⁾		60,163	60,663	(500)	-0.8%

(1) The item "Other non-current financial borrowings" is represented by "Other non-current financial liabilities" in the statement of financial position.

(2) The item "Other current financial borrowings" is included under "Other current financial liabilities" in the statement of financial position.

(3) In order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022 in accordance with the new representation of net financial debt by the Enel Group.

The financial position is reported in compliance with Guideline 39, issued on March 4, 2021 by ESMA and applicable as from May 5, 2021, and with warning notice no. 5/2021 issued by CONSOB on April 29, 2021, which replaced the references to the CESR Recommendations and the references in Communication no. DEM/6064293

of July 28, 2006 regarding the net financial position.

The net financial debt of the Enel Group at December 31, 2023 and December 31, 2022 is reconciled with net financial debt as provided for in the presentation methods of the Enel Group.

Millions of euro				
	at Dec. 31, 2023	at Dec. 31, 2022	Change	
Liquidity				
Cash and cash equivalents on hand	23	35	(12)	-34.3%
Bank and post office deposits	4,664	8,968	(4,304)	-48.0%
Liquid assets	4,687	9,003	(4,316)	-47.9%
Cash equivalents	2,114	2,038	76	3.7%
Securities	81	78	3	3.8%
Short-term loan assets	3,060	10,585	(7,525)	-71.1%
Current portion of long-term loan assets	1,007	2,838	(1,831)	-64.5%
Other current financial assets	4,148	13,501	(9,353)	-69.3%
Liquidity	10,949	24,542	(13,593)	-55.4%
Current financial debt				
Bank debt	(393)	(1,320)	927	70.2%
Commercial paper	(2,499)	(13,838)	11,339	81.9%
Other short-term borrowings ⁽¹⁾	(1,878)	(3,234)	1,356	41.9%
Current financial debt (including debt instruments)	(4,770)	(18,392)	13,622	74.1%
Current portion of long-term bank borrowings	(1,992)	(890)	(1,102)	-
Bonds issued (current portion)	(6,763)	(1,612)	(5,151)	-
Other borrowings (current portion)	(331)	(333)	2	0.6%
Non-current financial debt (current portion)	(9,086)	(2,835)	(6,251)	-
Current financial debt	(13,856)	(21,227)	7,371	34.7%
Net current financial debt	(2,907)	3,315	(6,222)	-
Non-current financial debt				
Bank borrowings	(14,500)	(15,261)	761	5.0%
Other borrowings ⁽²⁾	(3,014)	(2,851)	(163)	-5.7%
Non-current financial debt (excluding current portion and debt instruments)	(17,514)	(18,112)	598	3.3%
Bonds	(43,579)	(50,079)	6,500	13.0%
Trade payables and other non-interest-bearing non-current liabilities with a significant financing component	-	-	-	-
Non-current financial position	(61,093)	(68,191)	7,098	10.4%
Financial assets in respect of "Assets classified as held for sale"	262	543	(281)	-51.7%
Financial liabilities in respect of "Liabilities included in disposal groups classified as held for sale"	(1,150)	(1,435)	285	19.9%
Net financial position as per CONSOB instructions	(64,888)	(65,768)	880	1.3%
Long-term financial receivables and securities	3,837	4,213	(376)	-8.9%
(-) Financial assets in respect of "Assets classified as held for sale"	(262)	(543)	281	51.7%
(-) Financial liabilities in respect of "Liabilities included in disposal groups classified as held for sale"	1,150	1,435	(285)	-19.9%
NET FINANCIAL DEBT⁽³⁾	(60,163)	(60,663)	500	0.8%

(1) Includes current financial borrowings included in "Other current financial liabilities" in the statement of financial position.

(2) Includes other non-current financial borrowings presented under "Other non-current financial liabilities" in the statement of financial position.

(3) In order to improve the comparability of the figures, it was necessary to recalculate net financial debt at December 31, 2022 in accordance with the new representation of net financial debt by the Enel Group.

The net position as per CONSOB instructions does not include derivatives designated as hedges for hedge accounting purposes or entered into for trading purposes as they are used for hedging.

At December 31, 2023 those financial assets and liabilities are reported separately in the statement of financial position under the following items: "Non-current financial derivative assets" in the amount of €2,383 million (€3,970

million at December 31, 2022), "Current financial derivative assets" in the amount of €6,407 million (€14,830 million at December 31, 2022), "Non-current financial derivative liabilities" in the amount of €3,373 million (€5,895 million at December 31, 2022), and "Current financial derivative liabilities" in the amount of €6,461 million (€16,141 million at December 31, 2022).

Financial instruments

48. Financial instruments by category

This note provides disclosures necessary for users to assess the significance of financial instruments for the Group's financial position and performance.

48.1 Financial assets by category

The following table reports the carrying amount for each category of financial asset provided for under IFRS 9, broken down into current and non-current financial assets,

showing hedging derivatives and derivatives measured at fair value through profit or loss separately.

Millions of euro		Non-current		Current	
	Notes	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Financial assets measured at amortized cost	48.1.1	5,709	5,732	28,495	40,176
Financial assets at FVOCI	48.1.2	882	901	81	279
Financial assets at FVTPL					
Derivative financial assets at FVTPL	48.1.3	206	473	4,443	12,075
Other financial assets at FVTPL	48.1.3	4,341	3,442	219	1,048
Total financial assets at FVTPL		4,547	3,915	4,662	13,123
Derivative financial assets designated as hedging instruments					
Fair value hedge derivatives	48.1.4	113	37	-	-
Cash flow hedge derivatives	48.1.4	2,064	3,460	1,964	2,755
Total derivative financial assets designated as hedging instruments		2,177	3,497	1,964	2,755
TOTAL		13,315	14,045	35,202	56,333

For more information on the recognition and classification of current and non-current derivative assets, please see [note 51 "Derivatives and hedge accounting"](#).

For more information on fair value measurement, please see [note 52 "Assets and liabilities measured at fair value"](#).

48.1.1 Financial assets measured at amortized cost

The following table reports financial assets measured at amortized cost by nature, broken down into current and non-current financial assets.

Millions of euro		Non-current		Current	
	Notes	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Cash and cash equivalents		-	-	6,772	10,169
Trade receivables	34	1,726	1,388	16,047	15,217
Current portion of long-term loan assets		-	-	1,007	2,838
Cash collateral		-	-	2,899	8,319
Other financial assets	29.1	3,332	3,767	30	2,090
Financial assets from service concession arrangements at amortized cost	29	310	295	14	12
Other financial assets at amortized cost		341	282	1,726	1,531
Total		5,709	5,732	28,495	40,176

Impairment of financial assets measured at amortized cost

Financial assets measured at amortized cost amounted to €34,202 million at December 31, 2023 (€45,788 million at December 31, 2022) and are recognized net of allowances for expected credit losses totaling €4,098 million at December 31, 2023 (€4,087 million at the end of the previous year).

The Group mainly has the following types of financial assets measured at amortized cost subject to impairment testing:

- cash and cash equivalents;
- trade receivables and contract assets;
- loan assets;
- other financial assets.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The expected credit loss (ECL) – determined using probability of default (PD), loss given default (LGD) and exposure at default (EAD) – is the difference between all contractual cash flows that are due in accordance with the contract and all cash flows that are expected to be received (i.e. all shortfalls) discounted at the original effective interest rate (EIR).

For calculating ECL, the Group applies two different approaches:

- the general approach, for financial assets other than trade receivables, contract assets and lease receivables. This approach, based on an assessment of any significant increase in credit risk since initial recognition, is performed comparing the PD at origination with PD at the reporting date, at each reporting date. Then, based on the results of the assessment, a loss allowance is recognized based on 12-month ECL or lifetime ECL (i.e. staging):
 - 12-month ECL, for financial assets for which there has not been a significant increase in credit risk since initial recognition;

- lifetime ECL, for financial assets for which there has been a significant increase in credit risk or which are credit impaired (i.e. defaulted based on past due information);
- the simplified approach, for trade receivables, contract assets and lease receivables with or without a significant financing component, based on lifetime ECL without tracking changes in credit risk.

A forward-looking adjustment can be applied considering qualitative and quantitative information in order to reflect future events and macroeconomic developments that could impact the risk associated with the portfolio or financial instrument.

Depending on the nature of the financial assets and the credit risk information available, the assessment of the increase in credit risk can be performed on:

- an individual basis, if the receivables are individually significant and for all receivables which have been individually identified for impairment based on reasonable and supportable information;
- a collective basis, if no reasonable and supportable information is available without undue cost or effort to measure expected credit losses on an individual instrument basis.

When there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof, the gross carrying amount of the financial asset shall be reduced.

A write-off represents a derecognition event (e.g., the right to cash flows is legally or contractually extinguished, transferred or expired).

The following table reports expected credit losses on financial assets measured at amortized cost on the basis of the general simplified approach.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Gross amount	Expected credit loss allowance	Total	Gross amount	Expected credit loss allowance	Total
Cash and cash equivalents	6,772	-	6,772	10,169	-	10,169
Trade receivables	21,548	3,775	17,773	20,388	3,783	16,605
Loan assets	7,579	311	7,268	17,262	248	17,014
Other financial assets at amortized cost	2,403	12	2,391	2,176	56	2,120
Total	38,302	4,098	34,204	49,995	4,087	45,908

To measure expected losses, the Group assesses trade receivables and contract assets with the simplified approach, both on an individual basis (e.g., government entities, authorities, financial counterparties, wholesale sellers, traders and large companies, etc.) and a collective basis (e.g., retail customers).

In the case of individual assessments, PD is generally obtained from external providers.

Otherwise, in the case of collective assessments, trade receivables are grouped on the basis of their shared credit risk characteristics and information on past due positions, considering a specific definition of default.

Based on each business and local regulatory framework, as well as differences between customer portfolios, including their default and recovery rates (comprising expectations for recovery beyond 90 days):

- the Group mainly defines a defaulted position as one that is 180 days past due. Accordingly, beyond this time limit, trade receivables are presumed to be credit impaired); and

- specific clusters are defined on the basis of specific markets, business and risk characteristics.

Contract assets substantially have the same risk characteristics as trade receivables for the same types of contracts.

In order to measure the ECL for trade receivables on a collective basis, as well as for contract assets, the Group uses the following assumptions regarding the ECL parameters:

- PD, assumed equal to the average default rate, is calculated by cluster and considering historical data from at least 24 months;
- LGD is a function of the recovery rates for each cluster, discounted using the effective interest rate; and
- EAD is estimated as equal to the carrying amount at the reporting date net of cash deposits, including invoices issued but not past due and invoices to be issued.

The following table reports changes in the allowance for expected credit losses on loan assets in accordance with the general approach.

Millions of euro	ECL 12-month allowance	ECL lifetime allowance
Opening balance at Jan. 1, 2022	65	169
Accruals	22	5
Uses	-	-
Reversals to profit or loss	-	(11)
Other changes	(58)	56
Closing balance at Dec. 31, 2022	29	219
Opening balance at Jan. 1, 2023	29	219
Accruals	-	36
Uses	-	11
Reversals to profit or loss	(32)	(6)
Other changes	45	9
Closing balance at Dec. 31, 2023	42	269

The following table reports changes in the allowance for expected credit losses on trade receivables in accordance with the simplified approach.

Millions of euro	
Opening balance at Jan. 1, 2022	3,663
Accruals	1,375
Uses	(766)
Reversals to profit or loss	(265)
Other changes	(224)
Closing balance at Dec. 31, 2022	3,783
Opening balance at Jan. 1, 2023	3,783
Accruals	1,384
Uses	(1,136)
Reversals to profit or loss	(210)
Other changes	(46)
Closing balance at Dec. 31, 2023	3,775

The following table reports changes in the allowance for expected credit losses on other financial assets at amortized cost in accordance with the simplified approach.

Millions of euro	ECL lifetime allowance
Opening balance at Jan. 1, 2022	154
Accruals	180
Uses	-
Reversals to profit or loss	(1)
Other changes	(277)
Closing balance at Dec. 31, 2022	56
Opening balance at Jan. 1, 2023	56
Accruals	149
Uses	-
Reversals to profit or loss	(1)
Other changes	(192)
Closing balance at Dec. 31, 2023	12

Note 49 "Risk management" provides additional information on the exposure to credit risk and expected losses.

48.1.2 Financial assets at fair value through other comprehensive income

The following table shows financial assets at fair value through other comprehensive income by nature, broken down into current and non-current financial assets.

Millions of euro		Non-current			Current		
		Notes	at Dec. 31, 2023	at Dec. 31, 2022	Notes	at Dec. 31, 2023	at Dec. 31, 2022
Investments in other companies at FVOCI	29		338	360		-	-
Securities	29.1		505	447	30.1	81	78
Receivables and other financial assets at FVOCI			39	94		-	201
Total			882	901		81	279

Changes in financial assets at FVOCI

Investments in other companies

Millions of euro	Non-current	Current
Opening balance at Jan. 1, 2023	360	-
Purchases	-	-
Sales	(7)	-
Changes in fair value through OCI	(15)	-
Other changes	-	-
Closing balance at Dec. 31, 2023	338	-

Securities and other receivables at FVOCI

Millions of euro	Non-current	Current
Opening balance at Jan. 1, 2023	447	78
Purchases	160	-
Sales	(14)	(15)
Changes in fair value through OCI	17	-
Reclassifications	(105)	105
Other changes	-	(87)
Closing balance at Dec. 31, 2023	505	81

48.1.3 Financial assets at fair value through profit or loss

The following table shows financial assets at fair value

through profit or loss by nature, broken down into current and non-current financial assets.

Millions of euro	Notes	Non-current		Notes	Current	
		at Dec. 31, 2023	at Dec. 31, 2022		at Dec. 31, 2023	at Dec. 31, 2022
Derivatives at FVTPL	51	206	473	51	4,443	12,075
Investments in liquid assets		-	-	35	29	872
Securities		-	-	30.1	-	-
Equity investments in other companies at FVTPL	29	8	6		-	-
Financial assets from service concession arrangements at FVTPL	29	4,080	3,436		-	-
Financial assets from joint development agreements (JDA) at FVTPL		123	-		-	-
Other financial assets at FVTPL		130	-	30, 30.1	190	176
Total		4,547	3,915		4,662	13,123

48.1.4 Derivative financial assets designated as hedging instruments

For more information on derivative financial assets, please see note 51 "Derivatives and hedge accounting".

48.2 Financial liabilities by category

The following table shows the carrying amount for each category of financial liability provided for under IFRS 9, broken down into current and non-current financial lia-

bilities, showing hedging derivatives and derivatives measured at fair value through profit or loss separately.

Millions of euro	Notes	Non-current		Current	
		at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Financial liabilities measured at amortized cost	48.2.1	61,734	68,432	39,784	45,697
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities at FVTPL	48.4	204	588	4,485	11,642
Total financial liabilities at fair value through profit or loss		204	588	4,485	11,642
Derivative financial liabilities designated as hedging instruments					
Fair value hedge derivatives	48.4	105	191	17	-
Cash flow hedge derivatives	48.4	3,064	5,116	1,959	4,499
Total derivative financial liabilities designated as hedging instruments		3,169	5,307	1,976	4,499
TOTAL		65,107	74,327	46,245	61,838

For more information on fair value measurement, please see note 52 "Assets and liabilities measured at fair value".

48.2.1 Financial liabilities measured at amortized cost

The following table shows financial liabilities at amortized

cost by nature, broken down into current and non-current financial liabilities.

Millions of euro	Notes	Non-current		Notes	Current	
		at Dec. 31, 2023	at Dec. 31, 2022		at Dec. 31, 2023	at Dec. 31, 2022
Long-term borrowings	48.3	61,085	68,191	48.3	9,086	2,835
Short-term borrowings		-	-	48.3	4,769	18,392
Trade payables	44	334	36	44	15,487	17,605
Other financial liabilities		315	205		10,442	6,865
Total		61,734	68,432		39,784	45,697

48.3 Borrowings

48.3.1 Long-term borrowings (including the portion falling due within 12 months) – €70,171 million

The following table reports the nominal value, carrying

amount and fair value of long-term borrowing, including the portion falling due within 12 months.

Long-term borrowings by category and type of interest rate

				Portion due in more than 12 months	Fair value				Portion due in more than 12 months		Changes in carrying amount
Millions of euro	Nominal value	Carrying amount	Current portion			Nominal value	Carrying amount	Current portion		Fair value	
	at Dec. 31, 2023					at Dec. 31, 2022					
Bonds:											
- listed, fixed rate	29,539	29,163	4,686	24,477	27,885	30,355	29,892	978	28,914	27,468	(729)
- listed, floating rate	2,643	2,622	623	1,999	2,641	2,569	2,547	537	2,010	2,473	75
- unlisted, fixed rate	18,336	18,129	1,357	16,772	17,842	18,959	18,727	-	18,727	17,249	(598)
- unlisted, floating rate	428	428	97	331	456	525	525	97	428	600	(97)
Total bonds	50,946	50,342	6,763	43,579	48,824	52,408	51,691	1,612	50,079	47,790	(1,349)
Bank borrowings:											
- fixed rate	3,874	3,822	853	2,969	3,746	3,367	3,273	211	3,062	3,021	549
- floating rate	12,664	12,629	1,139	11,490	12,892	12,884	12,848	677	12,171	12,570	(219)
- use of revolving credit lines	41	41	-	41	41	30	30	2	28	26	11
Total bank borrowings	16,579	16,492	1,992	14,500	16,679	16,281	16,151	890	15,261	15,617	341
Leases:											
- fixed rate	2,852	2,852	256	2,596	2,852	2,630	2,630	251	2,379	2,630	222
- floating rate	53	53	12	41	53	42	42	10	32	42	11
Total leases	2,905	2,905	268	2,637	2,905	2,672	2,672	261	2,411	2,672	233
Other non-bank borrowings ⁽¹⁾ :											
- fixed rate	426	426	63	363	426	504	504	70	434	504	(78)
- floating rate	6	6	-	6	6	8	8	2	6	12	(2)
Total other non-bank borrowings	432	432	63	369	432	512	512	72	440	516	(80)
Total fixed-rate borrowings	55,027	54,392	7,215	47,177	52,751	55,815	55,026	1,510	53,516	50,872	(634)
Total floating-rate borrowings	15,835	15,779	1,871	13,908	16,089	16,058	16,000	1,325	14,675	15,723	(221)
TOTAL	70,862	70,171	9,086	61,085	68,840	71,873	71,026	2,835	68,191	66,595	(855)

(1) Does not include other non-current financial borrowings reported under "Other non-current financial liabilities" in the statement of financial position that are included in long-term financial debt.

The table below reports long-term financial debt by currency and interest rate.

Long-term borrowing (including the portion falling due within 12 months) by currency and interest rate

Millions of euro	Carrying amount	Nominal value	Carrying amount	Nominal value	Current average nominal interest rate	Current effective interest rate	Current average nominal interest rate	Current effective interest rate
	at Dec. 31, 2023		at Dec. 31, 2022		at Dec. 31, 2023		at Dec. 31, 2022	
Euro	35,865	36,166	34,993	35,383	2.5%	2.8%	1.9%	2.1%
US dollar	24,601	24,847	26,930	27,209	4.9%	5.2%	4.8%	5.1%
Pound sterling	4,612	4,720	4,470	4,610	4.6%	4.8%	4.6%	4.8%
Colombian peso	1,884	1,888	1,310	1,310	13.5%	13.5%	10.3%	10.3%
Brazilian real	2,229	2,255	1,899	1,926	10.5%	10.6%	10.0%	10.2%
Swiss franc	382	382	359	360	1.8%	1.8%	1.8%	1.8%
Chilean peso/UF	510	514	526	531	5.1%	5.2%	5.1%	5.2%
Peruvian sol	-	-	429	429			5.3%	5.3%
Other currencies	88	90	110	115				
Total non-euro currencies	34,306	34,696	36,033	36,490				
TOTAL	70,171	70,862	71,026	71,873				

Long-term financial debt denominated in currencies other than the euro decreased by €1,727 million, largely attributable to the changes in debt denominated in US dollars.

Change in the nominal value of long-term borrowing (including the portion falling due within 12 months)

Millions of euro	Nominal value	Repayments	Change in the consolidation scope	New borrowings	Exchange differences	Nominal value
	at Dec. 31, 2022					at Dec. 31, 2023
Bonds	52,408	(2,798)	(293)	1,900	(271)	50,946
Borrowings	19,465	(3,208)	(482)	4,193	(52)	19,916
- of which leases	2,672	(406)	(36)	677	(2)	2,905
Total financial debt	71,873	(6,006)	(775)	6,093	(323)	70,862

The nominal value of long-term debt amounted to €70,862 million at December 31, 2023, a decrease of €1,011 million compared with December 31, 2022. The decrease reflected repayments in the amount of €6,006 million, changes in consolidation scope for €775 million and positive exchange differences of €323 million, only partially offset by new borrowings of €6,093 million.

Repayments in 2023 involved bonds in the amount of €2,798 million and loans in the amount of €3,208 million.

Specifically, repayments of bonds in 2023 included:

- \$1,250 million (€1,132 million at December 31, 2023), in respect of the hybrid bond issued by Enel SpA involved in a partial tender offer in the first months of 2023 and entirely repaid in September 2023;

- €100 million in respect of a floating-rate bond issued by Enel Finance International, maturing in February 2023;
- 290,130 million Colombian pesos (equivalent to €68 million at December 31, 2023) in respect of a floating-rate bond issued by Enel Colombia, maturing in February 2023;
- 280,000 million Colombian pesos (equivalent to €65 million at December 31, 2023) in respect of a fixed-rate bond issued by Enel Colombia, maturing in March 2023;
- €50 million in respect of a floating-rate bond issued by Enel Finance International, maturing in March 2023;
- €585 million in respect of a fixed-rate bond issued by Enel Finance International, maturing in April 2023;
- R\$305 million (equivalent to €57 million at December 31, 2023), in respect of a floating-rate bond issued by Enel Distribuição São Paulo, maturing in April 2023;

- €300 million in respect of a fixed-rate bond issued by Enel Finance International maturing in September 2023;
- R\$698 million (equivalent to €130 million at December 31, 2023), in respect of a floating-rate amortizing bond issued by Enel Distribuição São Paulo maturing in September 2023.

The main repayments of loans made during the year included:

- €200 million in respect of floating-rate revolving credit lines of Enel SpA;
- €367 in respect of sustainable loans of Group's Italian companies;

- €1,493 million in respect of Endesa loans, of which €452 million in sustainable loans;
- the equivalent of €322 million relating to South American companies.

New borrowings in 2023 involved €1,900 million in bonds and €4,193 million in loans.

The table below shows the main characteristics of financial transactions carried out in 2023 and translated into euros at the exchange rate prevailing at December 29, 2023.

Issuer/Borrower	Issue/Grant date	Amount in millions of euro	Currency	Interest rate	Interest rate type	Maturity
Bonds						
Enel Finance International	20.02.2023	750	EUR	4.00%	Fixed rate	20.02.2031
Enel Finance International	20.02.2023	750	EUR	4.50%	Fixed rate	20.02.2043
Enel Distribuição Ceará	11.01.2023	177	BRL	CDI + 1.48%	Floating rate	11.01.2026
Enel Distribuição Ceará	11.05.2023	93	BRL	CDI + 1.65%	Floating rate	15.05.2024
Enel Distribuição Ceará	26.06.2023	121	BRL	CDI + 1.65%	Floating rate	28.06.2024
Total bonds		1,891				
Bank borrowings						
Enel SpA	24.07.2023	200	EUR	Euribor 3M + 0.35%	Floating rate	03.05.2024
e-distribuzione	20.10.2023	500	EUR	Euribor 6M + 0.55%	Floating rate	20.10.2038
Enel X Way Italia	07.08.2023	70	EUR	Euribor 6M + 0.56%	Floating rate	09.08.2038
Enel Italia	15.06.2023	60	EUR	Euribor 6M + 0.56%	Floating rate	15.06.2038
Enel Finance America	04.04.2023	335	USD	SOFR 6M CPM + 1.22%	Floating rate	15.05.2034
Endesa	30.04.2023	50	EUR	0.26%	Fixed rate	31.07.2028
Endesa	03.05.2023	425	EUR	4.18%	Fixed rate	03.05.2028
Endesa	04.05.2023	75	EUR	3.98%	Fixed rate	04.05.2028
Endesa	05.05.2023	125	EUR	4.63%	Fixed rate	05.05.2028
Endesa	03.07.2023	300	EUR	Euribor 6M + 0.80%	Floating rate	28.06.2035
Endesa	21.12.2023	400	EUR	Euribor 6M + 0.72%	Floating rate	21.12.2028
Enel Chile	13.04.2023	68	USD	SOFR 1M + 1.33%	Floating rate	26.06.2024
Enel Chile	21.07.2023	72	USD	5.46%	Fixed rate	21.07.2038
Enel Chile	20.12.2023	74	USD	5.62%	Fixed rate	21.12.2038
Enel Distribuição São Paulo	20.04.2023	50	USD	4.38%	Fixed rate	20.04.2038
Enel Colombia	12.04.2023	160	COP	IBR O/N 3M + 3.7%	Floating rate	12.04.2028
Enel Colombia	30.11.2023	283	COP	IBR O/N 3M + 3.1%	Floating rate	15.10.2031
Enel Colombia	21.12.2023	70	COP	IBR 3M + 3.85%	Floating rate	21.12.2027
Total bank borrowings		3,317				

The following table reports the impact on gross long-term debt of hedges to mitigate currency risk.

Millions of euro	at Dec. 31, 2023						at Dec. 31, 2022					
	Initial debt structure			Impact of hedge	Debt structure after hedging		Initial debt structure			Impact of hedge	Debt structure after hedging	
	Carrying amount	Nominal value	%				Carrying amount	Nominal value	%			
Euro	35,865	36,166	51.0%	21,862	58,028	81.9%	34,993	35,383	49.2%	23,473	58,856	81.9%
US dollar	24,601	24,847	35.1%	(17,850)	6,997	9.9%	26,930	27,209	37.9%	(19,759)	7,450	10.4%
Pound sterling	4,612	4,720	6.7%	(4,720)	-	-	4,470	4,610	6.4%	(4,610)	-	-
Colombian peso	1,884	1,888	2.7%	-	1,888	2.7%	1,310	1,310	1.8%	-	1,310	1.8%
Brazilian real	2,229	2,255	3.2%	1,047	3,302	4.7%	1,899	1,926	2.7%	1,205	3,131	4.4%
Swiss franc	382	382	0.5%	(382)	-	-	359	360	0.5%	(360)	-	-
Chilean peso/UF	510	514	0.7%	-	514	0.7%	526	531	0.7%	-	531	0.7%
Peruvian sol	-	-	-	-	-	-	429	429	0.6%	-	429	0.6%
Other currencies	88	90	0.1%	43	133	0.2%	110	115	0.2%	51	166	0.2%
Total non-euro currencies	34,306	34,696	49.0%	(21,862)	12,834	18.1%	36,033	36,490	50.8%	(23,473)	13,017	18.1%
TOTAL	70,171	70,862	100.0%	-	70,862	100.0%	71,026	71,873	100.0%	-	71,873	100.0%

The amount of floating-rate debt that is not hedged against interest rate risk is the main risk factor that could

adversely impact profit or loss (raising borrowing costs), in the event of an increase in market interest rates.

Millions of euro	2023				2022			
	Nominal amount pre-hedge	%	Nominal amount post-hedge	%	Nominal amount pre-hedge	%	Nominal amount post-hedge	%
Floating rate	20,604	27.2%	17,241	22.8%	34,450	38.2%	31,353	34.7%
Fixed rate	55,027	72.8%	58,389	77.2%	55,815	61.8%	58,912	65.3%
Total	75,631		75,630		90,265		90,265	

At December 31, 2023, 27.2% of the nominal value of long- and medium-term financial debt was floating rate (38.2% at December 31, 2022). Taking account of hedges of interest rates considered effective pursuant to the IFRS-EU, 22.8% of the nominal value of long- and medium-term financial debt was exposed to interest rate risk at December 31, 2023 (34.7% at December 31, 2022). These figures are in line with the limits established in the risk management policy.

Long-term debt – Main covenants

The Group's main long-term financial liabilities are governed by covenants that are commonly adopted in international business practice. They include in particular bond issues carried out within the framework of the Global/Euro Medium-Term Notes program, issues of subordinated unconvertible hybrid bonds (so-called "hybrid bonds") and loans granted by banks and other financial institutions (including the European Investment Bank and Cassa Depositi e Prestiti SpA).

The main covenants regarding bond issues carried out within the framework of the Global/Euro Medium-Term Notes programs of Enel and Enel Finance International NV (including the green bonds of Enel Finance International NV guaranteed by Enel SpA, which are used to finance the Group's so-called eligible green projects) and those regarding bonds issued by Enel Finance International NV on the US market guaranteed by Enel SpA can be summarized as follows:

- negative pledge clauses under which the issuer and the guarantor may not establish or maintain mortgages, liens or other encumbrances on all or part of their assets or revenue to secure certain financial liabilities, unless the same encumbrances are extended equally or pro rata to the bonds in question;
- *pari passu* clauses, under which the bonds and the associated security constitute a direct, unconditional and unsecured obligation of the issuer and the guarantor and are issued without preferential rights among them and have at least the same seniority as other present and future unsubordinated and unsecured bonds of the issuer and the guarantor;

- cross-default clauses, under which the occurrence of a default event in respect of a specified financial liability (above a threshold level) of the issuer, the guarantor or, in some cases, “significant” subsidiaries, constitutes a default in respect of the liabilities in question, which become immediately repayable.

Since 2019, Enel Finance International NV has issued a number of “sustainable” bonds on the European market (as part of the Euro Medium-Term Notes – EMTN bond issue program) and on the American market, both guaranteed by Enel SpA, linked to the achievement of a number of the Sustainable Development Goals (SDGs) of the United Nations that contain the same covenants as other bonds of the same type.

In 2022, Enel Finance America LLC issued a “sustainable” bond of the same type, guaranteed by Enel SpA, on the US market.

The main covenants covering Enel’s hybrid bonds, including the perpetual hybrid bond issues, which will only be repaid in the event of the dissolution or liquidation of the Company, can be summarized as follows:

- subordination clauses, under which each hybrid bond is subordinate to all other bonds issued by the company and has the same seniority with all other hybrid financial instruments issued, being senior only to equity instruments;
- prohibition on mergers with other companies, the sale or leasing of all or a substantial part of the company’s assets to another company, unless the latter succeeds in all obligations of the issuer.

The main covenants envisaged in the loan contracts of Enel SpA and Enel Finance International NV and the other Group companies, including the sustainability-linked loan facility agreements obtained by Enel SpA, can be summarized as follows:⁽⁵²⁾

- negative pledge clauses, under which the borrower and, in some cases, the guarantor are subject to limitations on the establishment of mortgages, liens or other encumbrances on all or part of their respective assets, with the exception of expressly permitted encumbrances;

- disposals clauses, under which the borrower and, in some cases, the guarantor may not dispose of their assets or operations, with the exception of expressly permitted disposals;
- *pari passu* clauses, under which the payment undertakings of the borrower have the same seniority as its other unsecured and unsubordinated payment obligations;
- change of control clauses, under which the borrower and, in some cases, the guarantor could be required to renegotiate the terms and conditions of the financing or make compulsory early repayment of the loans granted;
- rating clauses, which provide for the borrower or the guarantor to maintain their rating above a certain specified level;
- cross-default clauses, under which the occurrence of a default event in respect of a specified financial liability (above a threshold level) of the issuer or, in some cases, the guarantor constitutes a default in respect of the liabilities in question, which become immediately repayable.

In some cases, the covenants are also binding for the significant companies or subsidiaries of the obligated parties. All the borrowings considered specify “events of default” typical of international business practice, such as, for example, insolvency, bankruptcy proceedings or the entity ceases trading.

In addition, the guarantees issued by Enel in the interest of e-distribuzione SpA for certain loans to e-distribuzione SpA from Cassa Depositi e Prestiti SpA require that at the end of each six-month measurement period Enel’s net consolidated financial debt shall not exceed 4.5 times annual consolidated EBITDA.

Finally, the debt of Endesa SA, Enel Américas SA, Enel Chile SA and the other Spanish and Latin American subsidiaries (notably Enel Generación Chile SA) contains covenants and events of default typical of international business practice.

(52) The sustainability-linked loan entered into on September 30, 2022, granted by EKF Denmark’s Export Credit Agency and Citi to Enel Finance America LLC as borrower and Enel SpA (as guarantor), provide for a number of additional covenants, such as:

- a “reputational damage” clause, under which the lending bank can request the cancellation of its financial commitment undertaken by it and the early payment of the sums disbursed if it has suffered ascertained harm to its own reputation or that of other persons as a result of substantial breach of certain regulations;
- the commitment, also of the guarantor, to ensure compliance with certain environmental and social regulations and standards.

48.3.2 Short-term borrowings – €4,769 million

At December 31, 2023, short-term borrowings totaled

€4,769 million, a decrease of €13,623 million compared with December 31, 2022, and break down as follows.

Millions of euro			
	at Dec. 31, 2023	at Dec. 31, 2022	Change
Short-term bank borrowings	393	1,320	(927)
Commercial paper	2,499	13,838	(11,339)
Cash collateral and other financing on derivatives	1,383	1,513	(130)
Other short-term borrowings ⁽¹⁾	494	1,721	(1,227)
Short-term borrowings	4,769	18,392	(13,623)

(1) Does not include current financial liabilities included in "Other current financial liabilities" in net short-term financial debt.

Commercial paper liabilities totaling €2,499 million concerned issues by Enel Finance International and Enel Finance America.

The main commercial paper programs include:

- €8,000 million of Enel Finance International;
- €5,000 million of Endesa;
- \$5,000 million (equivalent to €4,526 million at December 31, 2023) of Enel Finance America.

At December 31, 2023, the whole amount of commercial paper issues, equal to €2,499 million, was linked to sustainability objectives.

Sustainability-linked finance at Enel

The new sustainability-linked bond issues, together with all the sustainable financing arranged in the last year, made it possible to reach a 64% ratio of sustainable sources of financing to the Group's total gross debt at the end of 2023, with a goal of reaching around 70% in 2026.

Shown below are the KPIs and targets included in the latest update of Enel's Sustainability-Linked Financing Framework, published in January 2024.

KPI	Actual value		Sustainability Performance Targets (SPTs)				
	2023	2023	2024	2025	2026	2030	2040
Intensity of Scope 1 GHG emissions related to power generation (gCO _{2eq} /kWh)	160	148	140	130	125	72	0
Intensity of Scope 1 and Scope 3 GHG emissions related to Integrated Power (gCO _{2eq} /kWh)	168			135	135	73	0
Absolute Scope 3 GHG emissions related to retail gas (MtCO _{2eq})	16.8			20.9	20.0	11.4	0
Percentage of installed renewables capacity (%)	68.2	65	69	73	74	80	100
Percentage of capital expenditure aligned with the EU taxonomy (%)	84.8			>80 (2023-2025) ⁽⁵³⁾	>80 (2024-2026) ⁽⁵⁴⁾		

Developments in the indicators shown in the table are periodically verified by an external auditor.

The war in Ukraine and the resulting restrictions on gas imports from Russia into the EU, which caused a decrease in gas supplies accompanied by a surge in wholesale electricity and gas prices, with serious effects for households and businesses, prompted EU governments to implement a series of policy responses to mitigate the impact of rising costs and ensure the stability of the energy system.

Despite these policy measures, the Group managed to reduce direct and indirect greenhouse gas emissions along the entire value chain by 26.3% overall compared with the previous year. Furthermore, the Group also reduced the intensity of Scope 1 GHG emissions related to power generation by over 30.6%, going from 229 gCO_{2eq}/kWh in 2022 to 160 gCO_{2eq}/kWh in 2023. This reduction reflected a 12.9% increase in consolidated renewables generation and a 37.5% reduction in consolidated thermal generation compared with 2022, a consequence of the Group's strategy to shift its generation mix towards renewables and to advance the decarbonization process.

(53) SPT with cumulative observation period of 2023-2025.

(54) SPT with cumulative observation period of 2024-2026.

However, due to the unprecedented crisis faced by the European energy system in 2022 and 2023, the Group's emissions reduction in 2023 was not sufficient to achieve the Scope 1 GHG emissions intensity target related to electricity generation set for 2023 as announced on the occasion of the Capital Markets Day held in November 2020 for the launch of the 2021-2023 Strategic Plan. As a result of the energy crisis, the intensity value was slightly higher than the target of 148 gCO_{2eq}/kWh. In the absence of these factors, Enel would have been able to reach an emissions intensity level well below the target of 148 gCO_{2eq}/kWh.

As a result, the Group's sustainability-linked instruments that set the Scope 1 emissions intensity target for electricity generation at 148 gCO_{2eq}/kWh for 2023 will be subject to an increase in the relative step-up.

48.4 Derivative financial liabilities

For more information on derivative financial liabilities, please see note 51 "Derivatives and hedge accounting".

48.5 Net gain/(loss)

The following table shows net gains and losses by category of financial instruments, excluding derivatives.

Millions of euro	2023		2022	
	Net gain/(loss)	Of which impairment (loss)/gain	Net gain/(loss)	Of which impairment (loss)/gain
Financial assets measured at amortized cost	(1,112)	(1,320)	(1,242)	(1,305)
Financial assets at FVOCI				
Equity investments at FVOCI	-	-	-	-
Other financial assets at FVOCI	15	-	(4)	-
Total financial assets at FVOCI	15	-	(4)	-
Financial assets at FVTPL				
Financial assets at FVTPL	6	-	9	-
Financial assets designated upon initial recognition (fair value option)	-	-	-	-
Total financial assets at FVTPL	6	-	9	-
Financial liabilities measured at amortized cost	(2,759)	-	(2,357)	-
Financial liabilities at FVTPL				
Financial liabilities held for trading	-	-	-	-
Financial liabilities designated upon initial recognition (fair value option)	-	-	-	-
Total financial liabilities at FVTPL	-	-	-	-

For more details on net gains and losses on derivatives, please see note 14 "Net financial income/(expense) from derivatives".

49. Risk management

Financial risk management governance and objectives

As part of its operations, the Enel Group is exposed to a variety of financial risks, notably interest rate risk, commodity risk, currency risk, credit and counterparty risk and liquidity risk.

As noted in the section "Risk management" in the Report on Operations, the Group's governance arrangements for financial risks include risk committees and the establishment of dedicated policies, measurement metrics and operational limits. Enel's primary objective is to mitigate financial risks appropriately so that they do not give rise to unexpected changes in results.

The following sections detail the above financial risks.

There were no changes in the sources of exposure to such risks compared with the previous year.

Interest rate risk

Interest rate risk derives primarily from the use of financial instruments and manifests itself as unexpected changes in charges on financial liabilities, if indexed to floating rates and/or exposed to the uncertainty of financial terms and conditions in negotiating new debt instruments, or as an unexpected change in the value of financial instruments measured at fair value (such as fixed-rate debt).

The main financial liabilities held by the Group include bonds, bank borrowings, borrowings from other lenders, commercial paper, derivatives, cash deposits received to

secure commercial or derivative contracts (guarantees, cash collateral).

The Enel Group mainly manages interest rate risk through the definition of an optimal financial structure, with the dual goal of stabilizing borrowing costs and containing the cost of funds.

This goal is pursued through the diversification of the portfolio of financial liabilities by contract type, maturity and interest rate, and modifying the risk profile of specific exposures using OTC derivatives, mainly interest rate swaps and interest rate options. The term of such derivatives does not exceed the maturity of the underlying financial liability, so that any change in the fair value and/or expected cash flows of such contracts is offset by a corresponding change in the fair value and/or cash flows of the hedged position.

Proxy hedging techniques can be used in a number of residual circumstances, when the hedging instruments for the risk factors are not available on the market or are not sufficiently liquid.

Using interest rate swaps, the Enel Group agrees with the counterparty to periodically exchange floating-rate interest flows with fixed-rate flows, both calculated on the same notional principal amount.

The following table reports the notional amount of interest rate derivatives at December 31, 2023 and December 31, 2022, broken down by type of contract.

Millions of euro	Notional amount	
	at Dec. 31, 2023	at Dec. 31, 2022
Floating-to-fixed interest rate swaps	5,996	5,836
Fixed-to-floating interest rate swaps	1,386	1,401
Floating-to-floating interest rate swaps	644	618
Total	8,026	7,855

For more details on interest rate derivatives, please see note 51 "Derivatives and hedge accounting".

Interest rate risk sensitivity analysis

Enel analyzes the sensitivity of its exposure by estimating the effects of a change in interest rates on the portfolio of financial instruments.

More specifically, sensitivity analysis measures the potential impact on profit or loss and on equity of market scenarios that would cause a change in the fair value of derivatives or in the financial expense associated with unhedged gross debt.

These market scenarios are obtained by simulating parallel increases and decreases in the yield curve as at the reporting date.

There were no changes introduced in the methods and assumptions used in the sensitivity analysis compared with the previous year.

With all other variables held constant, the Group's pre-tax profit would be affected by a change in the level of interest rates as follows:

Millions of euro	2023				
	Basis points	Pre-tax impact on profit or loss		Pre-tax impact on equity	
		Increase	Decrease	Increase	Decrease
Change in financial expense on gross long-term floating-rate debt after hedging	25	31	(31)	-	-
Change in the fair value of derivatives classified as non-hedging instruments	25	32	(32)	-	-
Change in the value of derivatives designated as hedging instruments					
Cash flow hedges	25	-	-	26	(26)
Fair value hedges	25	-	-	(6)	6

At December 31, 2023, 22.3% (22.3% at December 31, 2022) of the nominal value of gross long-term financial debt was floating rate. Taking account of effective cash flow hedges of interest rate risk (in accordance with the provisions of the IFRS-EU), 82.4% of the nominal value of gross long-term financial debt was hedged at December 31, 2023 (82.0% at December 31, 2022).

Currency risk

Currency risk mainly manifests itself as unexpected changes in the financial statement items associated with transactions denominated in a currency other than the presentation currency. The Group's consolidated financial statements are also exposed to translation risk as a result of the conversion of the financial statements of foreign subsidiaries, which are denominated in local currencies, into euros as the Group's presentation currency.

The Group's exposure to currency risk is connected with the purchase or sale of fuels and power, investments (cash flows for capitalized costs), dividends and the purchase or sale of equity investments, commercial transactions and financial assets and liabilities.

The Group policies for managing currency risk provide for the mitigation of the effects on profit or loss of changes in the level of exchange rates, with the exception of the translation effects connected with consolidation.

In order to minimize the exposure to currency risk, Enel implements diversified revenue and cost sources geographically, and uses indexing mechanisms in commercial contracts. Enel also uses various types of derivatives, typically on the OTC market.

The derivatives in the Group's portfolio of financial in-

struments include cross currency interest rate swaps, currency forwards and currency swaps. The term of such contracts does not exceed the maturity of the underlying instrument, so that any change in the fair value and/or expected cash flows of such instruments offsets the corresponding change in the fair value and/or cash flows of the hedged position.

Cross currency interest rate swaps are used to transform a long-term financial liability denominated in currency other than the presentation currency into an equivalent liability in the presentation currency.

Currency forwards are contracts in which the counterparties agree to exchange principal amounts denominated in different currencies at a specified future date and exchange rate (the strike). Such contracts may call for the actual exchange of the two principal amounts (deliverable forwards) or payment of the difference generated by differences between the strike exchange rate and the prevailing exchange rate at maturity (non-deliverable forwards). In the latter case, the strike rate and/or the spot rate can be determined as averages of the rates observed in a given period.

Currency swaps are contracts in which the counterparties enter into two transactions of the opposite sign at different future dates (normally one spot, the other forward) that provide for the exchange of principal denominated in different currencies.

The following table reports the notional amount of transactions outstanding at December 31, 2023 and December 31, 2022, broken down by type of hedged item.

Millions of euro	Notional amount	
	at Dec. 31, 2023	at Dec. 31, 2022
Cross currency interest rate swaps (CCIRs) hedging debt denominated in currencies other than the euro	25,890	28,444
Currency forwards hedging currency risk on commodities	6,496	8,392
Currency forwards/CCIRs hedging future cash flows in currencies other than the euro	3,134	5,333
Other currency forwards	602	1,497
Total	36,122	43,666

More specifically, these include:

- CCIRSs with a notional amount of €25,890 million to hedge the currency risk on debt denominated in currencies other than the euro (€28,444 million at December 31, 2022);
- currency forwards and cross currency swaps with a total notional amount of €9,630 million used to hedge the currency risk associated with purchases of natural gas and fuel and expected cash flows in currencies other than the euro (€13,725 million at December 31, 2022).

“Other currency forwards” include OTC derivatives transactions carried out to mitigate currency risk on expected cash flows in currencies other than the presentation currency. This includes transactions connected with the purchase of investment goods in the renewables sector (including battery energy storage systems), as well as infrastructure and grids sectors (as new generation digital meters) and operating costs for the supply of cloud services and on revenue from the sale of renewable energy.

At December 31, 2023, 49% (51% at December 31, 2022) of Group long-term debt was denominated in currencies

other than the euro.

Taking account of hedges of currency risk, the percentage of debt not hedged against that risk amounted to 18% at December 31, 2023 (18% at December 31, 2022).

Currency risk sensitivity analysis

The Group analyzes the sensitivity of its exposure by estimating the effects of a change in exchange rates on the portfolio of financial instruments.

More specifically, sensitivity analysis measures the potential impact on profit or loss and equity of market scenarios that would cause a change in the fair value of derivatives or in the financial expense associated with unhedged gross medium/long-term debt.

These scenarios are obtained by simulating the appreciation/depreciation of the euro against all of the currencies compared with the value observed as at the reporting date.

There were no changes in the methods or assumptions used in the sensitivity analysis compared with the previous year.

With all other variables held constant, the pre-tax profit would be affected by changes in exchange rates as follows.

Millions of euro		2023			
		Pre-tax impact on profit or loss		Pre-tax impact on equity	
	Exchange rate	EUR appr.	EUR depr.	EUR appr.	EUR depr.
Change in the fair value of derivatives classified as non-hedging instruments	10%	494	(603)	-	-
Change in the fair value of derivatives designated as hedging instruments					
Cash flow hedges	10%	-	-	(2,883)	3,522
Fair value hedges	10%	(44)	53	-	-

Commodity price risk

The risk of fluctuations in the price of energy commodities such as electricity, gas, oil, CO₂, and raw materials such as minerals and metals is generated by the volatility of prices and structural correlations between them, which create uncertainty in the margin on purchases and sales of electricity and fuels and materials at variable prices (e.g., indexed bilateral contracts, transactions on the spot market, etc.).

The exposures on indexed contracts are quantified by breaking down the contracts that generate exposure into the underlying risk factors.

To contain the effects of fluctuations and stabilize margins, in accordance with the policies and operating limits determined by the Group's governance and leaving an appropriate margin of flexibility to seize any short-term

opportunities that may present themselves, Enel develops and plans strategies that impact the various phases of the industrial process linked to the production and sale of electricity and gas (such as forward procurement and long-term commercial agreements), as well as risk mitigation plans and techniques using derivative contracts (hedging).

As regards electricity sold by the Group, Enel mainly uses fixed-price contracts in the form of bilateral physical contracts (Power Purchase Agreements, or PPAs) and financial contracts (e.g., contracts for differences, Virtual Power Purchase Agreements or VPPAs, etc.) in which differences are paid to the counterparty if the market electricity price exceeds the strike price and to Enel in the opposite case.

The table below shows the main characteristics of PPA and VPPA contracts at December 31, 2023.

at Dec. 31, 2023						
Country	Type of contract	Sell/Buy	Price terms	Volume of power contracted (GWh)	Duration (years)	Accounting treatment
Italy	PPA	Buy	fixed price	17.3	1	FVTPL
Italy	PPA	Buy	fixed price	35.8	1	FVTPL
Italy	PPA	Buy	floating price	1,501.5	1	FVTPL
Italy	PPA	Buy	floating price	28.7	2	FVTPL
Italy	PPA	Buy	fixed price	395.9	10	Own use exemption
Italy	VPPA	Sell	fixed price	1,801.2	4	CFH
Italy	VPPA	Sell	fixed price	800.0	4	CFH
Iberia	VPPA	Buy	fixed price	30.0	9	FVTPL
Iberia	VPPA	Buy	fixed price	22,650.0	15	CFH
Iberia	VPPA	Sell	fixed price	14,010.0	18	CFH
Germany	VPPA	Buy	floating price	44.7	2	FVTPL
United States	VPPA	Sell	fixed price	49.9	8-20	CFH
United States	VPPA	Sell	fixed price	15.5	8-15	FVTPL
United States	VPPA	Sell	fixed price	2.3	12-20	Own use exemption
United States	VPPA	Sell	floating price	3.4	12	CFH
United States	PPA	Sell	fixed price	6.0	12	CFH
United States	PPA	Sell	fixed price	6.0	12	FVTPL
United States	PPA	Sell	fixed price	194.4	10-30	Own use exemption
United States	PPA	Sell	floating price	12.2	12-30	Own use exemption
South Africa	PPA	Sell	floating price	1.2	20	FVTPL
Brazil	PPA	Sell	fixed price	115,542.6	1-20	Own use exemption
Brazil	PPA	Buy	fixed price	37,474.9	1-16	Own use exemption
Chile	PPA	Sell	fixed price	249,377.4	1-15	Own use exemption
Chile	PPA	Sell	floating price	258.0	1-3	Own use exemption
Chile	VPPA	Sell	fixed price	27,828.2	4 -10	Own use exemption
Chile	VPPA	Buy	fixed price	50,101.9	5-15	Own use exemption
Chile	PPA	Buy	fixed price	98,412.7	1-20	Own use exemption
Colombia	VPPA	Sell	fixed price	91,509.4	1-16	Own use exemption
Colombia	VPPA	Sell	floating price	4,546.3	1-10	Own use exemption
Colombia	VPPA	Buy	fixed price	56,763.5	1-19	Own use exemption
Guatemala	VPPA	Sell	fixed price	3,336.0	1-15	Own use exemption
Guatemala	VPPA	Sell	floating price	20.0	1-2	Own use exemption
Panama	VPPA	Sell	fixed price	23,858.0	3-15	Own use exemption
Panama	VPPA	Sell	floating price	4,253.0	5-25	Own use exemption
Panama	VPPA	Buy	fixed price	263.0	7-10	Own use exemption
Panama	VPPA	Buy	floating price	1,455.0	1-2	Own use exemption
Peru	PPA	Buy	fixed price	547.1	1-8	Own use exemption
Peru	PPA	Sell	fixed price	75,938.8	1-12	Own use exemption
Peru	PPA	Sell	floating price	115.0	2-5	Own use exemption

The residual exposure in respect of the sale of energy on the spot market not hedged with such contracts is aggregated by uniform risk factors that can be managed with hedging transactions on the market. Proxy hedging techniques can be used for the industrial portfolios when the hedging instruments for the specific risk factors generating the exposure are not available on the market or are not sufficiently liquid. In addition, Enel uses portfolio hedging techniques to assess opportunities for netting intercompany exposures.

The Group mainly uses plain vanilla derivatives for hedging (more specifically, forwards, swaps, options on commodities, futures, contracts for differences).

Some of these products can be indexed to a variety of underlyings (coal, gas, oil, CO₂, different geographical areas, etc.) and the approaches can be assessed and adapted to specific needs.

Enel also engages in proprietary trading in order to maintain a presence in the Group's reference energy commodity markets. These operations consist in taking on exposures in energy commodities (oil products, gas, coal, CO₂ certificates and electricity) using financial derivatives and physical contracts traded on regulated and over-the-counter markets, optimizing profits through transactions carried out on the basis of expected market developments while always complying with the limits set on the basis of portfolio risk analysis.

The following table reports the notional amount of outstanding transactions at December 31, 2023 and December 31, 2022, broken down by type of instrument.

Millions of euro	Notional amount	
	at Dec. 31, 2023	at Dec. 31, 2022
Forward and futures contracts	44,307	114,128
Swaps	7,694	11,271
Options	1,407	504
Total	53,408	125,903

For more details, please see [note 51 "Derivatives and hedge accounting"](#).

Commodity price risk sensitivity analysis

The following table presents the results of the analysis of sensitivity to a reasonably possible change in the commodity prices underlying the valuation model used in the scenario at the same date, with all other variables held constant.

The impact on pre-tax profit of shifts of +15% and -15% in

the price curve for the main commodities that make up the fuel scenario and the basket of formulas used in the contracts is mainly attributable to the change in the price of electricity, gas and petroleum products and, to a lesser extent, of CO₂. The impact on equity of the same shifts in the price curve is primarily due to changes in the price of electricity, petroleum products and, to a lesser extent, CO₂. The Group's exposure to changes in the prices of other commodities is not material.

Millions of euro		2023			
		Pre-tax impact on profit or loss		Pre-tax impact on equity	
	Commodity price	Increase	Decrease	Increase	Decrease
Change in the fair value of trading derivatives on commodities	15%	(39)	40	-	-
Change in the fair value of derivatives on commodities designated as hedging instruments	15%	(19)	25	(442)	437

Credit and counterparty risk

The Group's commercial, commodity and financial transactions expose it to credit risk, i.e. the possibility that a deterioration in the creditworthiness of a counterparty or the failure to discharge contractual payment obligations could lead to the interruption of incoming cash flows and an increase in collection costs (settlement risk), as well as lower revenue flows due to the replacement of the original transactions with similar transactions negotiated on unfavorable market conditions (replacement risk). Other risks include the reputational and financial risks associated with significant exposures to a single counterparty or groups of related customers, or to counterparties operating in the same sector or in the same geographical area.

Accordingly, the exposure to credit and counterparty risk is attributable to the following types of transactions:

- the sale and distribution of electricity and gas in free and regulated markets and the supply of goods and services (trade receivables in respect of non-Group debtors);
- trading activities that involve the physical exchange of assets or transactions in financial instruments (the commodity portfolio);
- trading in derivatives, bank deposits and, more generally, financial instruments (the financial portfolio).

In order to minimize credit and counterparty risk, credit exposures are managed at the region/country/global business line level by different units, thereby ensuring the necessary segregation of risk management and control activities. Monitoring the consolidated exposure is carried out by Enel SpA.

In addition, at the Group level the policy provides for the use of uniform criteria – in the region/countries/global business lines and at the consolidated level – in measuring commercial credit exposures in order to promptly identify any deterioration in the quality of outstanding receivables and any mitigation actions to be taken.

The policy for managing credit and counterparty risk associated with commercial activities provides for a preliminary assessment of the creditworthiness of counterparties and the adoption of mitigation instruments, such as obtaining collateral or unsecured guarantees.

In addition, the Group undertakes transactions to factor receivables without recourse, which results in the complete derecognition of the corresponding assets involved in the factoring, as the risks and rewards associated with them have been transferred.

Finally, with regard to financial and commodity transactions, risk mitigation is pursued with a uniform system for assessing counterparties at the Group level, including implementation at the level of region/countries/global business lines, as well as with the adoption of specific standardized contractual frameworks that contain risk mitigation clauses (e.g., netting arrangements) and possibly the exchange of cash collateral.

Despite the deterioration in the collection status of some customer segments, which was taken into account in the assessment of the impairment of trade receivables, to date the Group portfolio has displayed resilience to the current macroeconomic context and price scenario. This reflects the strengthening of digital collection channels and a sound diversification of the customer base.

Loan assets

Millions of euro

at Dec. 31, 2023					
Staging	Basis for recognition of expected credit loss allowance	Average loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Performing	12-month ECL	4.0%	6,664	264	6,400
Underperforming	Lifetime ECL	2.8%	321	9	312
Non-performing	Lifetime ECL	6.4%	594	38	556
Total			7,579	311	7,268

Contract assets, trade receivables and other financial assets: individual measurement

Millions of euro				
	at Dec. 31, 2023			
	Average loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Contract assets	-	83	-	83
Trade receivables				
Trade receivables not past due	0.5%	6,225	32	6,193
Trade receivables past due:				
- 1-30 days	2.0%	350	7	343
- 31-60 days	1.9%	103	2	101
- 61-90 days	5.3%	38	2	36
- 91-120 days	12.2%	41	5	36
- 121-150 days	13.2%	53	7	46
- 151-180 days	8.2%	49	4	45
- more than 180 days (credit impaired)	83.9%	1,474	1,236	238
Total trade receivables		8,333	1,295	7,038
Other financial assets				
Other financial assets not past due	0.4%	1,690	7	1,683
Other financial assets past due:				
- 1-30 days	-	25	-	25
- 31-60 days	-	-	-	-
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	2	-	2
- 151-180 days	-	-	-	-
- more than 180 days (credit impaired)	2.7%	75	2	73
Total other financial assets		1,792	9	1,783
TOTAL		10,208	1,304	8,904

Millions of euro				
	at Dec. 31, 2022			
	Average loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Contract assets	-	79	-	79
Trade receivables				
Trade receivables not past due	0.7%	5,560	41	5,519
Trade receivables past due:				
- 1-30 days	1.0%	477	5	472
- 31-60 days	1.3%	75	1	74
- 61-90 days	2.8%	36	1	35
- 91-120 days	7.1%	28	2	26
- 121-150 days	12.5%	24	3	21
- 151-180 days	5.9%	51	3	48
- more than 180 days (credit impaired)	80.8%	1,629	1,317	312
Total trade receivables		7,880	1,373	6,507
Other financial assets				
Other financial assets not past due	2.2%	1,401	31	1,370
Other financial assets past due:				
- 1-30 days	-	35	-	35
- 31-60 days	-	219	-	219
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	-	-	-
- 151-180 days	-	2	-	2
- more than 180 days (credit impaired)	16.3%	147	24	123
Total other financial assets		1,804	55	1,749
TOTAL		9,763	1,428	8,335

Contract assets, trade receivables and other financial assets: collective measurement

Millions of euro

	at Dec. 31, 2023			
	Average loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Contract assets	1.3%	150	2	148
Trade receivables				
Trade receivables not past due	2.9%	8,322	239	8,083
Trade receivables past due:				
- 1-30 days	2.6%	802	21	781
- 31-60 days	44.3%	70	31	39
- 61-90 days	19.5%	210	41	169
- 91-120 days	25.8%	132	34	98
- 121-150 days	50.8%	132	67	65
- 151-180 days	52.9%	119	63	56
- more than 180 days (credit impaired)	57.9%	3,428	1,984	1,444
Total trade receivables		13,215	2,480	10,735
Other financial assets				
Other financial assets not past due	-	604	-	604
Other financial assets past due:				
- 1-30 days	66.7%	3	2	1
- 31-60 days	-	-	-	-
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	-	-	-
- 151-180 days	-	2	-	2
- more than 180 days (credit impaired)	50.0%	2	1	1
Total other financial assets		611	3	608
TOTAL		13,976	2,485	11,491

Millions of euro

	at Dec. 31, 2022			
	Average loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Contract assets	4.3%	46	2	44
Trade receivables				
Trade receivables not past due	2.4%	7,698	187	7,511
Trade receivables past due:				
- 1-30 days	2.6%	535	14	521
- 31-60 days	42.3%	123	52	71
- 61-90 days	24.0%	275	66	209
- 91-120 days	29.0%	186	54	132
- 121-150 days	35.6%	146	52	94
- 151-180 days	45.0%	129	58	71
- more than 180 days (credit impaired)	56.4%	3,416	1,927	1,489
Total trade receivables		12,508	2,410	10,098
Other financial assets				
Other financial assets not past due	-	251	-	251
Other financial assets past due:				
- 1-30 days	50.0%	2	1	1
- 31-60 days	-	-	-	-
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	-	-	-
- 151-180 days	-	-	-	-
- more than 180 days (credit impaired)	-	-	-	-
Total other financial assets		253	1	252
TOTAL		12,807	2,413	10,394

Liquidity risk

Liquidity risk manifests itself as uncertainty about the Group's ability to discharge its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Enel manages liquidity risk by implementing measures to ensure an appropriate level of liquid financial resources, minimizing the associated opportunity cost and maintaining a balanced debt structure in terms of its maturity profile and funding sources.

In the short term, liquidity risk is mitigated by maintaining an appropriate level of unconditionally available resources, including liquidity on hand and short-term deposits, avail-

able committed credit lines and a portfolio of highly liquid assets.

In the long term, liquidity risk is mitigated by maintaining a balanced maturity profile for our debt, access to a range of sources of funding on different markets, in different currencies and with diverse counterparties.

The mitigation of liquidity risk enables the Group to maintain a credit rating that ensures access to the capital market and limits the cost of funds, with a positive impact on its financial position and performance.

The Group holds the following undrawn lines of credit and commercial paper programs.

Millions of euro	at Dec. 31, 2023		at Dec. 31, 2022	
	Expiring within one year	Expiring beyond one year	Expiring within one year	Expiring beyond one year
Committed credit lines	823	19,040	355	19,122
Uncommitted credit lines	734	-	980	-
Commercial paper	15,027	-	3,847	-
Total	16,584	19,040	5,182	19,122

Maturity analysis

The table below summarizes the maturity profile of the re-

payment plans of the Group's gross long- and short-term financial debt at December 31, 2023.

Millions of euro	Maturing in						
	Less than 3 months	From 3 months to 1 year	2025	2026	2027	2028	Beyond
Gross long-term financial debt							
Bonds:							
- listed, fixed rate	-	4,686	3,425	3,838	3,764	946	12,504
- listed, floating rate	186	437	342	435	221	117	884
- unlisted, fixed rate	-	1,357	1,351	1,126	2,448	2,023	9,824
- unlisted, floating rate	-	97	97	97	97	-	40
Total bonds	186	6,577	5,215	5,496	6,530	3,086	23,252
Bank borrowings:							
- fixed rate	63	790	231	413	730	1,006	589
- floating rate	126	1,013	1,479	2,489	1,140	1,410	4,972
- use of revolving credit lines	-	-	23	-	18	-	-
Total bank borrowings	189	1,803	1,733	2,902	1,888	2,416	5,561
Leases:							
- fixed rate	76	180	267	243	200	166	1,720
- floating rate	3	9	14	9	3	3	12
Total leases	79	189	281	252	203	169	1,732
Other non-bank borrowings:⁽¹⁾							
- fixed rate	24	39	70	69	44	8	172
- floating rate	-	-	14	-	-	-	-
Total other non-bank borrowings	24	39	84	69	44	8	172
Total gross long-term financial debt	478	8,608	7,313	8,719	8,665	5,679	30,717
Gross short-term financial debt							
Short-term bank borrowings	101	292	-	-	-	-	-
Commercial paper	2,499	-	-	-	-	-	-
Cash collateral and other financing on derivatives	1,383	-	-	-	-	-	-
Other short-term financial debt ⁽²⁾	489	6	-	-	-	-	-
Total gross short-term financial debt	4,472	298	-	-	-	-	-
TOTAL GROSS FINANCIAL DEBT	4,950	8,906	7,313	8,719	8,665	5,679	30,717

(1) Includes other non-current financial borrowings presented under "Other non-current financial liabilities" in the statement of financial position.

(2) Includes other current financial borrowings included in "Other current financial liabilities" in the statement of financial position.

Commitments to purchase commodities

In conducting its business, the Enel Group has entered into contracts to purchase specified quantities of commodities at a certain future date for its own use, which qualify for the own use exemption provided for under IFRS 9.

The following table reports the undiscounted cash flows associated with outstanding commitments at December 31, 2023.

Millions of euro					
	at Dec. 31, 2023	2023-2026	2027-2031	2032-2036	Beyond
Commitments to purchase commodities:					
- electricity	63,422	13,820	18,167	12,420	19,015
- fuels	47,666	11,998	23,399	8,802	3,467
Total	111,088	25,818	41,566	21,222	22,482

50. Offsetting financial assets and financial liabilities

At December 31, 2023 the Group did not hold offset positions in assets and liabilities, as it is not the Enel Group's policy to settle financial assets and liabilities on a net basis.

51. Derivatives and hedge accounting

The following tables show the notional amount and the fair value of derivative financial assets and derivative financial liabilities eligible for hedge accounting or measured at FVTPL, classified on the basis of the type of hedge relationship and the hedged risk, broken down into current and non-current instruments.

The notional amount of a derivative contract is the amount on the basis of which cash flows are exchanged. This amount can be expressed as a value or a quantity (for example tons, converted into euros by multiplying the notional amount by the agreed price). Amounts denominated in currencies other than the euro are translated at the official closing exchange rates provided by the World Markets Refinitiv (WMR) Company.

Millions of euro	Non-current				Current			
	Notional		Fair value		Notional		Fair value	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
DERIVATIVE ASSETS								
Fair value hedge derivatives:								
- on interest rates	556	154	101	22	-	-	-	-
- on exchange rates	90	99	12	15	-	-	-	-
Total	646	253	113	37	-	-	-	-
Cash flow hedge derivatives:								
- on interest rates	4,090	4,949	174	336	54	9	1	-
- on exchange rates	11,060	16,955	1,007	1,854	4,393	4,053	145	389
- on commodities	4,094	4,321	883	1,270	5,560	7,416	1,818	2,366
Total	19,244	26,225	2,064	3,460	10,007	11,478	1,964	2,755
Trading derivatives:								
- on interest rates	-	-	-	-	-	-	-	-
- on exchange rates	84	19	1	1	1,734	3,640	24	74
- on commodities	858	1,774	205	472	17,511	49,253	4,419	12,001
Total	942	1,793	206	473	19,245	52,893	4,443	12,075
TOTAL DERIVATIVE ASSETS	20,832	28,271	2,383	3,970	29,252	64,371	6,407	14,830

Millions of euro	Non-current				Current			
	Notional		Fair value		Notional		Fair value	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
DERIVATIVE LIABILITIES								
Fair value hedge derivatives:								
- on interest rates	675	1,603	27	92	554	-	17	-
- on exchange rates	929	813	78	99	-	185	-	-
Total	1,604	2,416	105	191	554	185	17	-
Cash flow hedge derivatives:								
- on interest rates	1,897	890	91	59	100	150	-	1
- on exchange rates	11,173	11,956	1,830	1,640	4,785	3,798	332	176
- on commodities	3,075	6,403	1,143	3,417	4,696	9,556	1,627	4,322
Total	16,145	19,249	3,064	5,116	9,581	13,504	1,959	4,499
Trading derivatives:								
- on interest rates	-	-	-	-	100	100	29	23
- on exchange rates	67	52	1	1	1,807	2,096	28	34
- on commodities	921	1,281	203	587	16,693	45,899	4,428	11,585
Total	988	1,333	204	588	18,600	48,095	4,485	11,642
TOTAL DERIVATIVE LIABILITIES	18,737	22,998	3,373	5,895	28,735	61,784	6,461	16,141

51.1 Derivatives designated as hedging instruments

Derivatives are initially recognized at fair value, on the trade date of the contract, and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Hedge accounting is applied to derivatives entered into in order to reduce risks such as interest rate risk, currency risk, commodity price risk (including Virtual PPAs) when all the criteria provided by IFRS 9 are met.

At the inception of the transaction, the Group documents the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether hedging instruments are highly effective in offsetting changes in fair values or cash flows of hedged items. For cash flow hedges of forecast transactions designated as hedged items, the Group assesses and documents that they are highly probable and present an exposure to changes in cash flows that affect profit or loss.

Depending on the nature of the risk exposure, the Group designates derivatives as either:

- fair value hedges;
- cash flow hedges.

For more details about the nature and the extent of risks arising from financial instruments to which the Group is exposed, please see note 49 "Risk management".

To be effective a hedge relationship shall meet all of the following criteria:

- existence of an economic relationship between hedging instrument and hedged item;
- the effect of credit risk does not dominate the value changes resulting from the economic relationship;
- the hedge ratio defined at initial designation shall be equal to the one used for risk management purposes (i.e. same quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge the quantity of the hedged item).

Based on the IFRS 9 requirements, the existence of an economic relationship is evaluated by the Group through a qualitative assessment or a quantitative computation, depending on the following circumstances:

- if the underlying risk of the hedging instrument and the hedged item is the same, the existence of an economic relationship will be provided through a qualitative analysis;
- on the other hand, if the underlying risk of the hedging instrument and the hedged item is not the same, the existence of the economic relationship will be demonstrated through a quantitative method in addition to a qualitative analysis of the nature of the economic relationship (i.e. linear regression).

In order to demonstrate that the behavior of the hedging instrument is in line with that of the hedged item, different scenarios will be analyzed.

For hedging of commodity price risk, the existence of an economic relationship is deduced from a ranking matrix that defines, for each possible risk component, a set of all standard derivatives available in the market whose ranking

is based on their effectiveness in hedging the considered risk.

In order to evaluate the credit risk effects, the Group considers the existence of risk mitigating measures (collateral, mutual break-up clauses, netting agreements, etc.).

The Group has established a hedge ratio of 1:1 for all the hedge relationships (including commodity price risk hedging) as the underlying risk of the hedging derivative is identical to the hedged risk, in order to minimize hedging ineffectiveness.

The hedge ineffectiveness will be evaluated through a qualitative assessment or a quantitative computation, depending on the following circumstances:

- if the critical terms of the hedged item and hedging instrument match and there are no other sources of ineffectiveness including the credit risk adjustment on the hedging derivative, the hedge relationship will be considered fully effective on the basis of a qualitative assessment;
- if the critical terms of the hedged item and hedging instrument do not match or there is at least one source of ineffectiveness, the hedge ineffectiveness will be quantified applying the dollar offset cumulative method with hypothetical derivative. This method compares changes in the fair value of the hedging instrument and the hypothetical derivative between the reporting date and the inception date.

The main causes of hedge ineffectiveness can be the following:

- basis differences (i.e. the fair value or cash flows of the hedged item depend on a variable that is different from the variable that causes the fair value or cash flows of the hedging instrument to change);
- timing differences (i.e. the hedged item and hedging instrument occur or are settled at different dates);
- quantity or notional amount differences (i.e. the hedged item and hedging instrument are based on different quantities or notional amounts);
- other risks (i.e. changes in the fair value or cash flows of a derivative hedging instrument or hedged item relate to risks other than the specific risk being hedged);
- credit risk (i.e. the counterparty credit risk differently impacts the changes in the fair value of the hedging instruments and hedged items).

Fair value hedges

Fair value hedges are mainly used to protect the Group against exposures to changes in the fair value of liabilities or firm commitment attributable to a particular risk that could affect profit or loss.

Changes in the fair value of derivatives that qualify and are designated as hedging instruments are recognized in the income statement, together with changes in the fair val-

ue of the hedged item that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used is amortized to profit or loss over the period to maturity.

Cash flow hedges

Cash flow hedges are applied in order to hedge the Group exposure to changes in future cash flows that are attributable to a particular risk associated with a recognized asset or liability or a highly probable transaction that could affect profit or loss.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the hedged forecast sale takes place).

If the hedged item results in the recognition of a non-financial asset (i.e. property, plant and equipment or inventories, etc.) or a non-financial liability, or a hedged forecast transaction for a non-financial asset or a non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the amount accumulated in equity (i.e. hedging reserve) shall be removed and included in the initial amount (cost or other carrying amount) of the asset or the liability hedged (i.e. "basis adjustment").

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement. For hedge relationships using forwards as a hedging instrument, where only the change in the value of the spot element is designated as the hedging instrument, accounting for the forward element (profit or loss vs OCI) is defined case by case. This approach is actually applied by the Group for hedging of currency risk on renewables assets.

Conversely, for hedge relationships using cross currency interest rate swaps as hedging instruments, the Group separates foreign currency basis spread, in designating the hedging derivative, and present them in other comprehensive income (OCI) as hedging costs.

With specific regard to cash flow hedges of commodity risk, in order to improve their consistency with the risk management strategy, the Enel Group applies a dynamic

hedge accounting approach based on specific liquidity requirements (the so-called liquidity-based approach).

This approach requires the designation of hedges through the use of the most liquid derivatives available on the market and replacing them with others that are more effective in covering the risk in question.

Consistent with the risk management strategy, the liquidity-based approach allows the roll-over of a derivative by replacing it with a new derivative, not only in the event of expiry but also during the hedge relationship, if and only if the new derivative meets both of the following requirements:

- it represents a best proxy of the old derivative in terms of ranking;
- it meets specific liquidity requirements.

Satisfaction of these requirements is verified quarterly.

At the roll-over date, the hedge relationship is not discontinued. Accordingly, starting from that date, changes in the effective fair value of the new derivative will be recognized in equity (the hedging reserve), while changes in the fair value of the old derivative are recognized through profit or loss.

Reform of benchmarks for the determination of interest rates – IBOR reform

Overview

Interbank Offered Rates ("IBORs") are benchmark rates at which banks can borrow funds on the interbank market on an unsecured basis for a given period ranging from overnight to 12 months, in a specific currency.

In recent years there have been a number of cases of manipulation of these rates by the banks contributing to their calculation. For this reason, regulators around the world have begun a sweeping reform of interest rate benchmarks that includes the replacement of some benchmarks with alternative risk-free rates (the IBOR reform).

The Group's main exposure is based on Euribor.

Euribor is still considered compliant with the European Benchmarks Regulation (BMR) and this permits market participants to continue to use it for both existing and new contracts.

In line with the most recent guidance issued by the major regulatory bodies, the 1-month, 3-month and 6-month USD LIBOR benchmarks have become unrepresentative after June 30, 2023 and the alternative reference rate is the Secured Overnight Financing Rate (SOFR).

As a result of the IBOR reform, a number of temporary exceptions to the rules on hedge relationships have been allowed in implementation of the amendments to IFRS 9 issued in September 2019 (Phase 1) and August 2020 (Phase 2) to address, respectively:

- pre-replacement issues that impact financial reporting in the period preceding the replacement of an existing interest rate benchmark with an alternative risk-free rate (Phase 1); and

- post-replacement issues that could impact financial reporting when an existing interest rate benchmark is reformed or replaced and there is no longer any initial uncertainty, but hedge contracts and relationships still need to be updated to reflect the new benchmark rates (Phase 2).

Impact of the IBOR reform on the Group

In a context of uncertainty regarding the IBOR transition in the various countries, the Group has determined the overall number and nominal value of the contracts impacted by the reform. In addition, a number of contractual amendments have previously been implemented in contracts indexed to GBP LIBOR in 2021 and others have been implemented in 2023, considering that, as already mentioned, USD LIBOR benchmarks have become unrepresentative as from June 30, 2023.

Debt and derivatives

The Group's floating rate debt is mainly benchmarked against Euribor and is almost entirely hedged using financial derivatives.

At the reporting date, the Group is planning to take no action with regard to Euribor since, as stated above, this benchmark has been comprehensively reformed to comply with the European Benchmarks Regulation. Despite the continuity with Euribor, replacement clauses may be required and could therefore be implemented by the Group in the new contracts in accordance with the evolution of accepted market practice.

During 2023, the Group obtained new dollar loans indexed to SOFR and focused on the implementation of how to change all exposures from USD LIBOR to USD SOFR.

The Group's derivative instruments are managed through contracts that are mainly based on framework agreements defined by the International Swaps and Derivatives Association (ISDA).

The ISDA has revised its standardized contracts in light of the IBOR reform and amended the choices for floating rates within the 2006 ISDA definitions to include replacement clauses that would apply upon the permanent discontinuation of specific key benchmarks. These changes took effect on January 25, 2021. Transactions represented in the 2006 ISDA definitions carried out on January 25, 2021 or later include adjusted floating-rate options (e.g., the choice of floating rate with replacement clause), while transactions completed before that date (previous derivative contracts) continue to be based on the 2006 ISDA definitions.

For this reason, the ISDA published an IBOR Fallback Protocol to facilitate multilateral amendments to include the amended definitions.

As regards Euribor, the Group is assessing whether to: (i) adopt that protocol in the light of its exposure and developments in the IBOR reform or (ii) adjust in advance any contracts impacted bilaterally by the reform.

Hedge relationships

At the reporting date, hedged items and hedging instruments are primarily indexed to Euribor, SOFR and SONIA. The Group has assessed the impact of uncertainty engendered by the IBOR reform on hedge relationships at December 31, 2023 with reference to both hedging instruments and hedged items. Both the hedged items and the hedging instruments have changed their parameterization from interbank market-based benchmarks (IBORs) to alternative risk-free rates (RFRs) as a result of the contractual amendments that have taken effect.

In particular, in order to manage the uncertainty associated with both hedging instruments and hedged items indexed to USD LIBOR, until June 30, 2023 the Group has continued to apply the temporary exceptions provided for in the amendments to IFRS 9 issued in September 2019 (Phase 1). It was therefore felt that the benchmark indices for determining the interest rates on which the cash flows of the hedged items or the hedging instruments are based would not change as a consequence of the IBOR reform. The exception was applied for the following hedge relationship requirements:

- determining if a forecast transaction is highly probable;
- establishing whether the future hedged cash flows will arise in a discontinued cash flow hedge relationship;
- assessing the economic relationship between the hedged item and the hedging instrument.

The hedge relationships impacted may have become ineffective due to different replacements of existing bench-

marks with alternative risk-free benchmarks. In order to avoid that risk, the Group has sought to implement the replacements at the same time.

In addition, the Group changed the reference to USD LIBOR in its interest rate hedging instruments used in cash flow hedge relationships with the new, economically equivalent, SOFR benchmark in 2023. Consequently, the Group no longer applies the amendments to IFRS 9 issued in September 2019 (Phase 1) to these hedge relationships and, consequently, is applying the amendments to IFRS 9 issued in August 2020 (Phase 2), modifying the formal designation of the hedge relationship as required by the IBOR reform and without considering this event as a termination of the hedge relationship.

Furthermore, for cash flow hedge relationships, in modifying the description of the hedged item in the hedge relationship, the amounts accumulated in the cash flow hedge reserve were considered on the basis of the alternative benchmark index in relation to which the future hedged cash flows are determined.

51.1.1 Hedge relationships by type of risk hedged

Interest rate risk

The following table shows the notional amount and the average interest rate of instruments hedging the interest rate risk on transactions outstanding at December 31, 2023 and December 31, 2022, broken down by maturity.

Millions of euro	Maturity						Total
	2024	2025	2026	2027	2028	Beyond	
At Dec. 31, 2023							
Interest rate swaps							
Total notional amount	708	564	879	1,975	19	3,781	7,926
Notional amount related to IRSs in euro	608	564	636	1,532	19	3,141	6,500
Average IRS rate in euro	4.56	1.92	2.12	3.38	0.86	2.37	
Notional amount related to IRSs in US dollars	46	-	-	444	-	210	700
Average IRS rate in US dollars	0.70			3.28		5.05	

The following table shows the notional amount and the fair value of the hedging instruments on the interest rate risk

of transactions outstanding as at December 31, 2023 and December 31, 2022, broken down by type of hedged item.

Millions of euro		Fair value		Notional amount	Fair value		Notional amount
		Assets	Liabilities		Assets	Liabilities	
Hedging instrument	Hedged item	at Dec. 31, 2023			at Dec. 31, 2022		
Fair value hedges							
Interest rate swaps	Floating-rate borrowings/bonds	98	-	544	20	(2)	518
Interest rate swaps	Fixed-rate borrowings/bonds	3	(44)	1,241	2	(90)	1,239
Cash flow hedges							
Interest rate swaps	Floating-rate bonds	12	(49)	1,040	29	(44)	1,190
Interest rate swaps	Floating-rate loan assets	-	(7)	145	-	(9)	162
Interest rate swaps	Floating-rate borrowings	163	(35)	4,956	307	(7)	4,646
Total		276	(135)	7,926	358	(152)	7,755

The following table shows the notional amount and the fair value of hedging derivatives on interest rate risk as at De-

cember 31, 2023 and December 31, 2022, broken down by type of hedge.

Millions of euro		Notional amount		Fair value assets		Notional amount		Fair value liabilities	
		at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Derivatives									
Fair value hedges									
Interest rate swaps		556	154	101	22	1,229	1,603	(44)	(92)
Total		556	154	101	22	1,229	1,603	(44)	(92)
Cash flow hedges									
Interest rate swaps		4,144	4,958	175	336	1,997	1,040	(91)	(60)
Total		4,144	4,958	175	336	1,997	1,040	(91)	(60)
TOTAL INTEREST RATE DERIVATIVES		4,700	5,112	276	358	3,226	2,643	(135)	(152)

The notional amount of derivatives classified as hedging instruments at December 31, 2023 came to €7,926 million, with a corresponding positive fair value of €141 million.

Compared with December 31, 2022, the notional amount increased by €171 million, mainly reflecting:

- the expiry of interest rate swaps amounting to €159 million;
- early closure of interest rate swaps for an amount of €150 million, following early redemption of the underlying;

- new interest rate swaps amounting to €800 million;
- the reduction in the notional amount of amortizing interest rate swaps in the amount of €320 million.

The deterioration in the fair value of €65 million mainly reflects developments in the yield curve.

Fair value hedge derivatives

The following table reports net gains and losses recognized through profit or loss in respect of fair value hedge derivatives and the hedged item that are attributable to interest rate risk both in 2023 and the previous year.

Millions of euro	2023	2022
	Net gain/(loss)	Net gain/(loss)
Interest rate hedging instruments	125	(84)
Hedged item	(132)	75
Ineffective portion	(7)	(9)

The following table shows the impact of fair value hedges of interest rate risk in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year
Interest rate swaps	1,785	57	57	1,757	(70)	(70)

The following table shows the impact of the hedged item of fair value hedges in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Carrying amount	Cumulative adjustment of fair value of hedged item	Fair value used to measure ineffectiveness in the year	Carrying amount	Cumulative adjustment of fair value of hedged item	Fair value used to measure ineffectiveness in the year
Fixed-rate borrowings	1,186	(43)	44	1,138	(89)	(79)
Fixed-rate bonds	14	2	(2)	14	2	(2)
Floating-rate bonds	671	41	(107)	576	(16)	(18)
Total	1,871	-	(65)	1,728	(103)	(99)

Cash flow hedge derivatives

The following table shows the cash flows expected in

coming years from cash flow hedge derivatives on interest rate risk.

Millions of euro	Fair value	Distribution of expected cash flows					
	at Dec. 31, 2023	2024	2025	2026	2027	2028	Beyond
Cash flow hedge derivatives on interest rates							
Positive fair value	175	86	29	19	14	12	28
Negative fair value	(91)	(8)	(21)	(20)	(17)	(13)	(22)

The following table shows the impact of cash flow hedges of interest rate risk in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year
Interest rate swaps	6,141	84	84	5,998	276	276

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023					at Dec. 31, 2022				
	Fair value of the hedged item used to measure ineffectiveness in the year	Fair value through P&L of CFH derivatives designated after initial recognition	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Fair value of the hedged item used to measure ineffectiveness in the year	Fair value through P&L of CFH derivatives designated after initial recognition	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives
Floating-rate bonds	37	-	(37)	-	-	15	-	(15)	-	-
Floating-rate loan assets	7	-	(7)	-	-	9	-	(9)	-	-
Floating-rate borrowings	(149)	(20)	149	-	(1)	(327)	(28)	326	-	2
Total	(105)	(20)	105	-	(1)	(303)	(28)	302	-	2

Currency risk

The following table reports the maturity profile of the notional amount and associated average contractual ex-

change rate for the instruments hedging currency risk on transactions outstanding at December 31, 2023 and December 31, 2022.

Millions of euro	Maturity						
	2024	2025	2026	2027	2028	Beyond	Total
At Dec. 31, 2023							
Cross currency interest rate swaps (CCIRSs)							
Total notional amount of CCIRSs	4,562	2,577	1,222	2,337	2,037	13,386	26,121
Notional amount for CCIRSs EUR/USD	2,213	2,036	1,132	1,560	2,037	9,102	18,080
Average exchange rate EUR/USD	1.13	1.07	1.07	1.10	1.18	1.15	
Notional amount for CCIRSs EUR/GBP	981	-	-	577	-	3,856	5,414
Average exchange rate EUR/GBP	0.88			0.90		0.82	
Notional amount for CCIRSs EUR/CHF	242	-	-	140	-	-	382
Average exchange rate EUR/CHF	1.07			1.21			
Notional amount for CCIRSs USD/BRL	279	231	91	-	-	387	988
Average exchange rate USD/BRL	5.50	5.22	5.30			4.13	
Notional amount for CCIRSs EUR/BRL	445	231	-	60	-	-	736
Average exchange rate EUR/BRL	6.25	6.05		3.92			
Currency forwards							
Total notional amount of forwards	4,616	1,186	507	-	-	-	6,309
Notional amount - currency forwards EUR/USD	3,144	1,042	507	-	-	-	4,693
Average currency forward rate - EUR/USD	1.10	1.11	1.13				
Notional amount - currency forwards USD/CLP	938	141	-	-	-	-	1,079
Average currency forward rate - USD/CLP	873.05	885.2239					
Notional amount - currency forwards EUR/CNH	175	-	-	-	-	-	175
Average currency forward rate - EUR/CNH	7.81						
Notional amount - currency forwards USD/BRL	130	-	-	-	-	-	130
Average currency forward rate - USD/BRL	4.95						
Notional amount - currency forwards USD/COP	122	2	-	-	-	-	124
Average currency forward rate - USD/COP	4,498.97	4,597.37					

Millions of euro	Maturity						
	2023	2024	2025	2026	2027	Beyond	Total
At Dec. 31, 2022							
Cross currency interest rate swaps (CCIRs)							
Total notional amount of CCIRs	1,908	4,831	2,648	1,265	2,380	15,701	28,733
Notional amount for CCIRs EUR/USD	1,171	2,290	2,107	1,171	1,615	11,529	19,883
Average exchange rate EUR/USD	1.33	1.13	1.07	1.18	1.10	1.15	
Notional amount for CCIRs EUR/GBP	-	958	-	-	564	3,721	5,243
Average exchange rate EUR/GBP		0.88			0.90	0.81	
Notional amount CCIRs EUR/CHF	-	228	-	-	132	-	360
Average exchange rate EUR/CHF		1.06			1.21		
Notional amount for CCIRs USD/BRL	140	288	239	94	-	-	761
Average exchange rate USD/BRL	5.22	5.50	5.22	5.29			
Notional amount for CCIRs EUR/BRL	597	438	181	-	70	-	1,286
Average exchange rate EUR/BRL	6.09	6.25	6.16		3.92		
Currency forwards							
Total notional amount of forwards	6,127	2,374	625	-	-	-	9,126
Notional amount - currency forwards EUR/USD	4,713	2,345	625	-	-	-	7,683
Average currency forward rate - EUR/USD	1.09	1.10	1.11				
Notional amount - currency forwards USD/BRL	333	-	-	-	-	-	333
Average currency forward rate - USD/BRL	5.61						
Notional amount - currency forwards EUR/CNH	311	-	-	-	-	-	311
Average currency forward rate - EUR/CNH	7.41						
Notional amount - currency forwards USD/CLP	199	20	-	-	-	-	219
Average currency forward rate - USD/CLP	906.90	921.05					
Notional amount - currency forwards USD/COP	156	2	-	-	-	-	158
Average currency forward rate - USD/COP	4,720.74	4,444.96					

The following table shows the notional amount and the fair value of the hedging instruments on the currency risk of

transactions outstanding as at December 31, 2023 and December 31, 2022 broken down by type of hedged item.

Millions or euro		Fair value		Notional amount	Fair value		Notional amount
Hedging instrument	Hedged item	Assets	Liabilities		Assets	Liabilities	
		at Dec. 31, 2023			at Dec. 31, 2022		
Fair value hedges							
Cross currency interest rate swaps (CCIRSs)	Fixed-rate borrowings/bonds in foreign currencies	12	(78)	1,019	15	(99)	1,097
Cross currency interest rate swaps (CCIRSs)	Floating-rate borrowings in foreign currencies	-	-	-	-	-	-
Cash flow hedges							
Cross currency interest rate swaps (CCIRSs)	Floating-rate borrowings/ financial assets in foreign currencies	67	(36)	754	95	(76)	1,061
Cross currency interest rate swaps (CCIRSs)	Fixed-rate borrowings/financial assets in foreign currencies	5	(220)	2,104	4	(233)	2,445
Cross currency interest rate swaps (CCIRSs)	Floating-rate bonds in foreign currencies	56	-	250	60	-	414
Cross currency interest rate swaps (CCIRSs)	Fixed-rate bonds in foreign currencies	965	(1,724)	21,763	1,864	(1,293)	23,381
Cross currency interest rate swaps (CCIRSs)	Future cash flows denominated in foreign currencies	-	(43)	231	-	(50)	335
Currency forwards	Future cash flows denominated in foreign currencies	2	(1)	117	9	(6)	326
Currency forwards	Future commodity purchases denominated in foreign currencies	54	(126)	5,666	192	(135)	7,508
Currency forwards	Purchases of investment goods and other in foreign currencies	3	(12)	526	19	(23)	1,292
Total		1,164	(2,240)	32,430	2,258	(1,915)	37,859

Cash flow hedges and fair value hedges include:

- CCIRSs with a notional amount of €24,886 million used to hedge the currency risk on fixed-rate debt denominated in currencies other than the euro with a negative fair value of €1,040 million;
- CCIRSs with a notional amount of €1,235 million used to hedge the currency risk on floating-rate debt denominated in currencies other than the euro, with a positive fair value of €44 million;
- currency forwards with a notional amount of €5,783 million used to hedge the currency risk associated with purchases of natural gas, purchases of fuel and expected cash flows in currencies other than the euro, with a total negative fair value of €71 million;

- currency forwards with a notional amount of €526 million and a negative fair value of €9 million, in respect of OTC transactions to mitigate the currency risk on expected cash flows in currencies other than the presentation currency connected with the purchase of investment goods in the renewables (including Battery Energy Storage Systems - BESS) and infrastructure and networks sectors (new generation digital meters), on operating costs for the supply of cloud services and on revenue from the sale of renewable energy.

The following table reports the notional amount and fair value of foreign exchange derivatives at December 31, 2023 and December 31, 2022, broken down by type of hedge.

Millions of euro		Notional amount		Fair value assets		Notional amount		Fair value liabilities	
Derivatives		at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Fair value hedges									
CCIRSs		90	99	12	15	929	998	(78)	(99)
Total		90	99	12	15	929	998	(78)	(99)
Cash flow hedges									
Currency forwards		1,979	4,313	59	220	4,330	4,813	(140)	(164)
CCIRSs		13,474	16,695	1,093	2,023	11,628	10,941	(2,022)	(1,652)
Total		15,453	21,008	1,152	2,243	15,958	15,754	(2,162)	(1,816)
TOTAL EXCHANGE RATE DERIVATIVES		15,543	21,107	1,164	2,258	16,887	16,752	(2,240)	(1,915)

The notional amount of CCIRs at December 31, 2023 amounted to €26,121 million, a decrease of €2,612 million from €28,733 million at December 31, 2022. In particular:

- CCIRs with a total amount of €737 million expired;
- a partial unwinding operation of CCIRs was carried out following the early repurchase of part of the hybrid bond denominated in US dollars. That transaction, together with the natural expiry of the residual portion of that liability and the associated CCIRs, caused a decrease in the notional amount compared with December 31, 2022 of €1,171 million;
- new derivatives amounted to €109 million. The notional amount decreased by €813 million, reflecting developments in the exchange rate of the euro against the main other currencies and the effect of amortization.

The notional amount of currency forwards at December 31, 2023 amounted to €6,309 million (€9,126 million at Decem-

ber 31, 2022), a decrease of €2,817 million. The exposure to currency risk, especially that associated with the US dollar, is mainly due to purchases of natural gas, purchases of fuel and cash flows in respect of investments.

After the turbulence experienced in raw material prices during 2022, which led to a considerable increase in the notional amounts hedged, the notional value of currency hedges on energy commodities returned to normal operating levels in 2023. The deterioration of net fair value of €137 million reflected normal developments in exchange rates.

Fair value hedge derivatives

The following table reports net gains and losses recognized through profit or loss, reflecting changes in the fair value of fair value hedge derivatives and the hedged item that are attributable to currency risk for 2023 and the previous year.

Millions of euro	2023	2022
	Net gain/(loss)	Net gain/(loss)
Interest rate hedging instruments	20	(119)
Hedged item	(12)	129
Ineffective portion	8	10

The following table shows the impact of fair value hedges of currency risk in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year
Cross currency interest rate swaps (CCIRs)	1,019	(66)	(68)	1,097	(84)	(87)

The following table shows the impact of the hedged item of fair value hedges in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Carrying amount	Cumulative adjustment of fair value of hedged item	Fair value used to measure ineffectiveness in the year	Carrying amount	Cumulative adjustment of fair value of hedged item	Fair value used to measure ineffectiveness in the year
Fixed-rate bonds in foreign currencies	500	(77)	48	458	(106)	90
Fixed-rate borrowings in foreign currencies	434	(7)	24	520	(8)	(2)
Total	934	(84)	72	978	(114)	88

Cash flow hedge derivatives

The following table shows the cash flows expected in coming years from cash flow hedge derivatives on currency risk.

Millions of euro	Fair value		Distribution of expected cash flows				
	at Dec. 31, 2023	2024	2025	2026	2027	2028	Beyond
Cash flow hedge derivatives on exchange rates							
Positive fair value	1,152	358	216	258	211	273	885
Negative fair value	(2,162)	(960)	(594)	(13)	(34)	(18)	(644)

The following table shows the impact of cash flow hedges of currency risk in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year
Cross currency interest rate swaps (CCIRSs)	25,102	(930)	(919)	27,636	371	433
Currency forwards	6,309	(80)	(73)	9,126	56	56
Total	31,411	(1,010)	(992)	36,762	427	489

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023					at Dec. 31, 2022				
	Fair value of the hedged item used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Other effects ⁽¹⁾	Fair value of the hedged item used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Other effects ⁽¹⁾
Floating-rate borrowings in foreign currencies	(31)	31	-	-	-	(30)	30	-	(11)	-
Fixed-rate borrowings in foreign currencies	219	(219)	4	-	-	225	(225)	(4)	-	-
Floating-rate bonds in foreign currencies	(56)	56	-	-	-	(60)	60	-	-	-
Fixed-rate bonds in foreign currencies	861	(861)	(15)	-	118	(628)	509	(56)	-	118
Future cash flows denominated in foreign currencies (hedged with CCIRSs)	43	(43)	-	-	-	50	(50)	-	-	-
Future cash flows denominated in foreign currencies (hedged with forwards)	(1)	1	-	-	-	(3)	3	-	-	-
Future commodity purchases denominated in foreign currencies	72	(72)	(1)	-	-	(60)	59	(1)	(1)	-
Purchases of investment goods and other in foreign currencies	3	(3)	(6)	-	-	7	(7)	1	2	-
Total	1,110	(1,110)	(18)	-	118	(499)	379	(60)	(10)	118

(1) Impact connected with the change in spot exchange rates between the date the CCIRSs to hedge bonds in foreign currencies were obtained and the actual disbursement of the loan for the CCIRSs obtained in 2022.

Commodity price risk

Millions of euro	Maturity						Total
	2024	2025	2026	2027	2028	Beyond	
At Dec. 31, 2023							
Commodity swaps							
Notional amount on power	128	106	100	284	91	286	995
Average commodity swap price on power (€/MWh)	87.0	44.0	37.0	59.6	32.0	34.0	
Notional amount on coal/shipping	-	-	-	-	-	-	-
Average commodity swap price on coal/shipping (\$/ton)	-	-	-	-	-	-	
Notional amount on gas	1,551	1,747	296	-	-	125	3,719
Average commodity swap price on gas (€/MWh)	41.8	40.4	27.0	-	-	7.0	
Notional amount on oil	1,016	106	10	-	-	-	1,132
Average commodity swap price on oil (\$/barrel)	86.0	78.0	69.0	-	-	-	
Commodity forwards/futures							
Notional amount on power	2,506	388	297	258	151	606	4,206
Average commodity forward/future price on power (€/MWh)	114.9	18.0	18.0	16.0	18.0	16.0	
Notional amount on coal/shipping	38	-	-	-	-	-	38
Average commodity forward/future price on coal/shipping (\$/ton)	175.0	-	-	-	-	-	
Notional amount on gas	4,432	377	626	-	-	-	5,435
Average commodity forward/future price on gas (€/MWh)	71.4	48.9	32.0	-	-	-	
Notional amount on CO ₂	662	336	21	-	-	-	1,019
Average commodity forward/future price on CO ₂ (€/ton)	91.9	93.0	84.0	-	-	-	
Notional amount on oil	354	-	-	-	-	-	354
Average commodity forward/future price on oil (\$/barrel)	74.6	-	-	-	-	-	
Commodity options							
Notional amount on power	24	39	44	39	39	342	527
Average commodity option price on power (€/MWh)	275	30.0	30.5	34.0	34.0	34.0	
Notional amount on gas	-	-	-	-	-	-	-
Average commodity option price on gas (€/MWh)	-	-	-	-	-	-	
Notional amount on oil	-	-	-	-	-	-	-
Average commodity option price on oil (\$/barrel)	-	-	-	-	-	-	

Millions of euro	Maturity						
	2023	2024	2025	2026	2027	Beyond	Total
At Dec. 31, 2022							
Commodity swaps							
Notional amount on power	653	164	143	139	132	333	1,564
Average commodity swap price on power (€/MWh)	162.5	77.9	48.9	47.2	45.8	29.0	
Notional amount on coal/shipping	1,037	-	-	-	-	-	1,037
Average commodity swap price on coal/shipping (\$/ton)	293.7	-	-	-	-	-	
Notional amount on gas	1,183	1,184	1,205	23	20	65	3,680
Average commodity swap price on gas (€/MWh)	60.1	47.9	52.0	21.0	8.3	7.2	
Notional amount on oil	1,076	227	48	-	-	-	1,351
Average commodity swap price on oil (\$/barrel)	105.0	93.0	82.0	-	-	-	
Commodity forwards/futures							
Notional amount on power	2,906	509	388	294	249	720	5,066
Average commodity forward/future price on power (€/MWh)	148.1	35.2	17.4	17.8	15.8	15.6	
Notional amount on coal/shipping	-	-	-	-	-	-	-
Average commodity forward/future price on coal/shipping (\$/ton)	-	-	-	-	-	-	
Notional amount on gas	7,171	4,099	229	-	-	-	11,499
Average commodity forward/future price on gas (€/MWh)	72.9	92.1	56.6	-	-	-	
Notional amount on CO ₂	1,635	226	50	-	-	-	1,911
Average commodity forward/future price on CO ₂ (€/ton)	81.3	94.9	94.0	-	-	-	
Notional amount on oil	1,263	58	-	-	-	-	1,321
Average commodity forward/future price on oil (\$/barrel)	81.7	73.9	-	-	-	-	
Commodity options							
Notional amount on power	16	16	16	16	16	117	197
Average commodity option price on power (€/MWh)	35.0	35.0	35.0	35.0	35.0	33.0	
Notional amount on oil	70	-	-	-	-	-	70
Average commodity option price on oil (€/barrel)	133	-	-	-	-	-	

The following table reports the notional amount and fair value of instruments hedging commodity price risk on

transactions outstanding at December 31, 2023 and December 31, 2022, broken down by type of commodity.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Derivatives								
Cash flow hedges								
Derivatives on power:								
- swaps	684	1,213	357	982	311	352	(233)	(498)
- forwards/futures	1,636	1,535	162	89	2,570	3,510	(763)	(898)
- options	527	218	93	36	-	-	(62)	(12)
Total derivatives on power	2,847	2,966	612	1,107	2,881	3,862	(1,058)	(1,408)
Derivatives on coal/shipping:								
- swaps	-	9	-	2	-	1,028	-	(373)
- forwards/futures	-	-	-	-	38	-	(17)	-
- options	-	-	-	-	-	-	-	-
Total derivatives on coal/shipping	-	9	-	2	38	1,028	(17)	(373)
Derivatives on gas and oil:								
- swaps	2,785	2,302	623	666	2,066	2,729	(468)	(765)
- forwards/futures	3,382	4,734	1,375	1,714	2,407	8,085	(1,198)	(5,182)
- options	-	22	-	4	-	48	-	(4)
Total derivatives on gas and oil	6,167	7,058	1,998	2,384	4,473	10,862	(1,666)	(5,951)
Derivatives on CO₂:								
- swaps	-	-	-	-	-	-	-	-
- forwards/futures	640	1,704	91	143	379	207	(29)	(7)
- options	-	-	-	-	-	-	-	-
Total derivatives on CO₂	640	1,704	91	143	379	207	(29)	(7)
TOTAL COMMODITY DERIVATIVES	9,654	11,737	2,701	3,636	7,771	15,959	(2,770)	(7,739)

The table reports the notional amount and fair value of derivatives hedging commodity price risk at December 31, 2023 and December 31, 2022, broken down by type of hedge.

The positive fair value of cash flow hedge derivatives on commodities regards derivatives on gas and oil commodities in the amount of €1,998 million, derivatives on CO₂ in the amount of € 91 million and derivatives on power for €612 million.

The first category primarily regards hedges of fluctuations in the price of natural gas, for both purchases and sales, carried out for oil commodities and gas products.

The CO₂ category mainly includes hedging transactions undertaken for Enel Group compliance purposes.

The power category mainly includes medium/long-term hedging transactions, especially in Spain and North America.

Cash flow hedge derivatives on commodities included in liabilities regard derivatives on gas and oil commodities in the amount of €1,666 million, derivatives on power in the amount of €1,058 million and, to a lesser extent, derivatives on coal and CO₂ in the amount of respectively €17 million and €29 million.

Cash flow hedge derivatives

The following table shows the cash flows expected in

coming years from cash flow hedge derivatives on commodity price risk.

Millions of euro	Fair value			Distribution of expected cash flows			
	at Dec. 31, 2023	2024	2025	2026	2027	2028	Beyond
Cash flow hedge derivatives on commodities							
Positive fair value	2,701	1,861	428	153	85	55	246
Negative fair value	(2,770)	(1,727)	(430)	(217)	(216)	(72)	(235)

The following table shows the impact of cash flow hedges of commodity price risk in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023			at Dec. 31, 2022		
	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year	Notional amount	Carrying amount	Fair value used to measure ineffectiveness in the year
Power swaps	995	124	126	1,564	485	469
Coal/shipping swaps	-	-	-	1,037	(371)	(371)
Gas and oil swaps	4,850	155	155	5,031	(99)	(98)
Power forwards/futures	4,206	(602)	(638)	5,045	(809)	(938)
Coal/shipping forwards/futures	38	(17)	(17)	-	-	-
Gas and oil forwards/futures	5,789	178	92	12,820	(3,469)	(3,673)
CO ₂ forwards/futures	1,019	62	62	1,911	136	138
Power options	528	31	31	218	24	24
Gas and oil options	-	-	-	70	-	-
Total	17,425	(69)	(189)	27,696	(4,103)	(4,449)

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2023 and December 31, 2022.

Millions of euro	at Dec. 31, 2023				at Dec. 31, 2022			
	Fair value of the hedged item used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Fair value of the hedged item used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives
Future transactions in power	491	(491)	12	(59)	602	(602)	15	(32)
Future transactions in coal/shipping	17	(17)	-	-	371	(371)	-	-
Future transactions in gas and oil	(422)	422	-	(118)	3,360	(3,360)	-	(232)
Future transactions in CO ₂	(62)	62	-	-	(133)	133	-	-
Total	24	(24)	12	(177)	4,200	(4,200)	15	(264)

With regard to cash flow hedge derivatives on commodity prices, 2023 was marked by a progressive reduction in the extreme price volatility seen in past years. The greatest impact in terms of changes in the cash flow hedge reserve is mainly attributable to future transac-

tions in gas and power, which experience a reduction in the magnitude of the amount to defer to future years because those commodities were the most affected by the high price volatility. Moreover, the change is also attributable to the usual re-

lease of the impact on profit or loss of amounts accrued in 2023, which were the most affected by major price swings of the past years.

The ineffectiveness recognized in 2023 on future transactions in gas is mainly related to proxy hedging operations in Spain, while ineffectiveness on future transactions in power is mainly related to proxy hedging operations in North America.

51.2 Derivatives at fair value through profit or loss

The following table shows the notional amount and the fair value of derivatives at FVTPL as at December 31, 2023 and December 31, 2022.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022	at Dec. 31, 2023	at Dec. 31, 2022
Derivatives at FVTPL								
on interest rates:								
- interest rate swaps	-	-	-	-	100	100	(29)	(23)
- interest rate options	-	-	-	-	-	-	-	-
on exchange rates:								
- currency forwards	1,818	3,659	25	75	1,874	2,102	(29)	(34)
- CCIRs	-	-	-	-	-	46	-	(1)
on commodities								
Derivatives on power:								
- swaps	243	595	24	106	68	245	(16)	(180)
- forwards/futures	5,294	6,903	905	872	5,039	5,620	(906)	(908)
- options	46	7	4	15	80	140	(171)	(172)
Total derivatives on power	5,583	7,505	933	993	5,187	6,005	(1,093)	(1,260)
Derivatives on coal:								
- swaps	-	-	-	-	-	-	-	-
- forwards/futures	156	115	23	21	112	1,291	(43)	(9)
- options	-	-	-	-	-	-	-	-
Total derivatives on coal	156	115	23	21	112	1,291	(43)	(9)
Derivatives on gas and oil:								
- swaps	969	1,964	295	806	529	834	(167)	(550)
- forwards/futures	10,687	40,669	2,970	10,456	10,856	38,651	(2,963)	(10,280)
- options	448	34	344	8	278	33	(232)	(22)
Total derivatives on gas and oil	12,104	42,667	3,609	11,270	11,663	39,518	(3,362)	(10,852)
Derivatives on CO ₂ :								
- swaps	-	-	-	-	-	-	-	-
- forwards/futures	498	725	41	115	426	361	(42)	(35)
- options	12	2	14	2	11	-	(14)	-
Total derivatives on CO₂	510	727	55	117	437	361	(56)	(35)
Derivatives on other:								
- swaps	-	-	-	-	39	-	(6)	-
- forwards/futures	16	13	4	72	171	5	(71)	(16)
- options	-	-	-	-	5	-	-	-
Total derivatives on other	16	13	4	72	215	5	(77)	(16)
TOTAL	20,187	54,686	4,649	12,548	19,588	49,428	(4,689)	(12,230)

At December 31, 2023 the notional amount of trading derivatives on interest rates came to €100 million. The negative fair value of €29 million deteriorated by €6 million on the previous year mainly due to developments in the yield curve.

At December 31, 2023 the notional amount of derivatives on exchange rates was €3,692 million. After the strains experienced in raw material prices during 2022, which led to a considerable increase in the notional amounts hedged, the notional value of currency hedges on energy commodities returned to normal operating levels in 2023. This produced an overall decrease in the value of the hedges of €2,069 million. The deterioration of net fair value of €45 million reflected normal developments in exchange rates.

At December 31, 2023, the notional amount of derivatives on commodities came to €35,983 million. In absolute terms, the notional amounts decreased compared with 2022 in line with the gradual decline observed in the prices of energy commodities. The fair value of trading derivatives on commodities classified as assets mainly reflects the market valuation of hedges of gas and oil amounting to €3,609 million, derivatives on power amounting to

€933 million, derivatives on CO₂ amounting to €55 million and, to a lesser extent, derivatives on coal and other commodities totaling €23 million and €4 million, respectively.

The fair value of trading derivatives on commodities classified as liabilities mainly regards hedges of gas and oil amounting to €3,362 million, derivatives on power amounting to €1,093 million, and derivatives on CO₂, coal and other commodities in the amount of €56 million, €43 million and €77 million, respectively.

These amounts include transactions managed within the trading portfolios and transactions that, although established for hedging purposes, did not meet the requirements for hedge accounting.

In addition to weather derivative hedges, the "other" category includes hedges carried out on guarantees of origin and green certificates, i.e. incentive mechanisms for the production of electricity from renewable sources. In addition to the commodity price risk, the Group companies have to manage the risk of fluctuations in the price of these certificates which were recently affected by greater market volatility compared with the past, due to the increasing market attention to environmental sustainability issues.

Fair value measurement

52. Assets and liabilities measured at fair value

The Group determines fair value in accordance with IFRS 13 whenever such measurement is required by the IFRS as a recognition or measurement criterion.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date (i.e. an exit price).

The best proxy of fair value is market price, i.e. the current publicly available price actually used on a liquid and active market.

The fair value of assets and liabilities is classified in accordance with the three-level hierarchy described below, depending on the inputs and valuation techniques used in determining their fair value:

- Level 1, where the fair value is determined on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2, where the fair value is determined on the basis of inputs other than quoted prices included within

Level 1 that are observable for the asset or liability, either directly (such as prices) or indirectly (derived from prices);

- Level 3, where the fair value is determined on the basis of unobservable inputs.

This note also provides detailed disclosures concerning the valuation techniques and inputs used to perform these measurements.

To that end:

- recurring fair value measurements of assets or liabilities are those required or permitted by the IFRS in the statement of financial position at the close of each period;
- non-recurring fair value measurements are those required or permitted by the IFRS in the statement of financial position in particular circumstances.

For general information or specific disclosures on the accounting treatment of these circumstances, please see [note 2 "Accounting policies"](#).

52.1 Assets measured at fair value in the statement of financial position

The following table shows, for each class of assets measured at fair value on a recurring or non-recurring basis in the statement of financial position, the fair value measure-

ment at the end of the reporting period and the level in the fair value hierarchy into which the fair value measurements of those assets are classified.

Millions of euro		Non-current assets				Current assets			
	Notes	Fair value	Level 1	Level 2	Level 3	Fair value	Level 1	Level 2	Level 3
		at Dec. 31, 2023				at Dec. 31, 2023			
Equity investments in other companies at FVOCI	29	338	15	28	295	-	-	-	-
Securities at FVOCI	29.1, 30.1	505	505	-	-	81	81	-	-
Loan assets and other financial assets at FVOCI		39	-	-	39	-	-	-	-
Equity investments in other companies at FVTPL	29	8	-	-	8	-	-	-	-
Financial assets from service concession arrangements at FVTPL	29	4,080	-	4,080	-	-	-	-	-
Financial assets from JDA at FVTPL		123	41	-	82	-	-	-	-
Loan assets and other financial assets at FVTPL		169	-	-	169	190	131	-	59
Other cash investments at FVTPL		-	-	-	-	29	29	-	-
Fair value hedge derivatives:									
- on interest rates	51	101	-	101	-	-	-	-	-
- on exchange rates	51	12	-	12	-	-	-	-	-
Cash flow hedge derivatives:									
- on interest rates	51	174	-	174	-	1	-	1	-
- on exchange rates	51	1,007	-	1,007	-	145	-	145	-
- on commodities	51	883	173	375	335	1,818	1,311	413	94
Trading derivatives:									
- on interest rates	51	-	-	-	-	-	-	-	-
- on exchange rates	51	1	-	1	-	24	-	24	-
- on commodities	51	205	27	178	-	4,419	3,038	1,381	-
Non-monetary grants in respect of environmental certificates		-	-	-	-	18	1	11	6
Inventories measured at fair value	51	48	48	-	-	3	-	3	-
Contingent consideration		5	-	-	5	2	-	2	-

The fair value of "equity investments in other companies at FVOCI" is determined for listed companies on the basis of the quoted price at the close of the year, while that for unlisted companies is based on a reliable valuation of the relevant assets and liabilities.

"Financial assets from service concession arrangements at FVTPL" concern electricity distribution operations in Brazil, mainly by Enel Distribuição Rio de Janeiro, Enel Distribuição Ceará and Enel Distribuição São Paulo, and are accounted for in accordance with IFRIC 12.

Fair value was estimated as the net replacement cost based on the most recent rate information available and on the general price index for the Brazilian market.

Level 3 of the non-current portion of "loan assets and other financial assets at FVTPL" reports the receivable in respect of the sale of Slovak Power Holding, which amounted to €39 million at December 31, 2023. Its fair value was determined using the contractual price formula.

The current portion of "loans assets and other financial assets at FVTPL" includes mainly under Level 1 financial deposits held by Latin American companies.

In addition, "loan assets and other financial assets at FVTPL" include the non-current portion (€130 million) and the current portion (€59 million) of "super-eco-sisma bonus" receivables purchased after the enactment of the Revival Decree and assigned to banks, the measurement of which falls within Level 3.

The current portion of "other cash investments at FVTPL" at Level 1 mainly refers to investment in money-market funds to manage the liquidity of Enel Insurance.

The fair value of derivative contracts is determined using the official prices for instruments traded on regulated markets. The fair value of instruments not listed on a regulated market is determined using valuation methods appropriate for each type of financial instrument and market

data as of the end of the reporting period (such as interest rates, exchange rates, volatility), discounting expected future cash flows on the basis of the market yield curve and translating amounts in currencies other than the euro using exchange rates provided by the World Markets Refinitiv (WMR) Company.

Derivatives on interest rates and exchange rates are all measured using Level 2 inputs.

The fair value of derivatives on commodities is almost always measured using Level 1 or Level 2 inputs, as the determination is based on market inputs as these contracts are entered into with exchange counterparties, leading sector operators or financial institutions.

Certain long-term financial contracts in Spain (Virtual Power Purchase Agreements, or VPPAs), for which inter-

nal measurement models were also used in part in order to measure these instruments over longer time horizons, given the illiquidity of the underlying variables fall within Level 3.

In accordance with the IFRS, the Group assesses credit risk, both of the counterparty (Credit Valuation Adjustment or CVA) and its own (Debit Valuation Adjustment or DVA), in order to adjust the fair value of financial instruments for the corresponding amount of counterparty risk where necessary. More specifically, the Group measures CVA/DVA using a Potential Future Exposure valuation technique for the net exposure of the position and subsequently allocating the adjustment to the individual financial instruments that make up the overall portfolio. All of the inputs used in this technique are observable on the market.

52.2 Assets not measured at fair value in the statement of financial position

For each class of assets not measured at fair value on a recurring basis but whose fair value must be reported, the following table reports the fair value at the end of the year

and the level in the fair value hierarchy into which the fair value measurements of those assets are classified.

Millions of euro		Non-current assets				Current assets			
	Notes	Fair value	Level 1	Level 2	Level 3	Fair value	Level 1	Level 2	Level 3
		at Dec. 31, 2023				at Dec. 31, 2023			
Investment property	22	98	7	-	91	-	-	-	-
Inventories	33	-	-	-	-	45	-	-	45

The table reports the fair value of investment property and inventories of real estate not used in the business in the amount of €98 million and €45 million respectively. The

amounts were calculated with the assistance of appraisals conducted by independent experts, who used different methods depending on the specific assets involved.

52.3 Liabilities measured at fair value in the statement of financial position

The following table reports for each class of liabilities measured at fair value on a recurring or non-recurring basis in the statement of financial position the fair value measure-

ment at the end of the reporting period and the level in the fair value hierarchy into which the fair value measurements are classified.

Millions of euro		Non-current liabilities				Current liabilities			
	Notes	Fair value	Level 1	Level 2	Level 3	Fair value	Level 1	Level 2	Level 3
		at Dec. 31, 2023				at Dec. 31, 2023			
Fair value hedge derivatives:									
- on interest rates	51	27	-	27	-	17	-	17	-
- on exchange rates	51	78	-	78	-	-	-	-	-
Cash flow hedge derivatives:									
- on interest rates	51	91	-	91	-	-	-	-	-
- on exchange rates	51	1,830	-	1,830	-	332	-	332	-
- on commodities	51	1,143	43	922	178	1,627	1,030	555	42
Trading derivatives:									
- on interest rates	51	-	-	-	-	29	-	29	-
- on exchange rates	51	1	-	1	-	28	-	28	-
- on commodities	51	203	102	100	1	4,428	3,154	1,268	6
Contingent consideration		41	-	-	41	26	-	26	-

Contingent consideration mainly regards a number of equity investments held by the Group in North America,

whose fair value was determined on the basis of the contractual terms and conditions.

52.4 Liabilities not measured at fair value in the statement of financial position

For each class of liabilities not measured at fair value in the statement of financial position but whose fair value must be reported, the following table reports the fair value at the

end of the period and the level in the fair value hierarchy into which the fair value measurements of those liabilities are classified.

Millions of euro				
	Fair value	Level 1	Level 2	Level 3
	at Dec. 31, 2023			
Bonds:				
- fixed rate	45,727	43,287	2,440	-
- floating rate	3,097	66	3,031	-
Bank borrowings:				
- fixed rate	3,746	-	3,746	-
- floating rate	12,933	-	12,933	-
Non-bank borrowings:				
- fixed rate	3,278	-	3,278	-
- floating rate	59	-	59	-
Total	68,840	43,353	25,487	-

For listed debt instruments, the fair value is given by official prices. For unlisted instruments the fair value is determined using appropriate valuation techniques for each

category of financial instrument and market data at the close of the year, including the credit spreads of Enel.

Other information

53. Share-based payments

Starting in 2019, the Shareholders' Meeting of Enel SpA ("Enel" or the "Company") has each year approved the adoption of long-term share-based incentive plans for the management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code. Each of the incentive plans approved (the 2019 Long-Term Incentive Plan, the 2020 Long-Term Incentive Plan, the 2021 Long-Term Incentive Plan, the 2022 Long-Term Incentive Plan, the 2023 Long-Term Incentive Plan, referred to hereinafter, respectively, the "2019 LTI Plan", "2020 LTI Plan", the "2021 LTI Plan", the "2022 LTI Plan", the "2023 LTI Plan" and, jointly, the "Plans") provides for the grant of ordinary Company shares ("Shares") to the respective beneficiaries subject to the achievement of specific performance targets.

Plan beneficiaries are the Chief Executive Officer/General Manager of Enel and Enel Group managers in the positions most directly responsible for company performance or considered to be of strategic interest. The Plans provide for the award to the beneficiaries of an incentive consist-

ing of a monetary component and an equity component. This incentive – determined, at the time of the award, as a base value calculated in relation to the fixed remuneration of the individual beneficiary – may vary depending on the degree of achievement of each of the three-year performance targets by the Plans, ranging from zero up to a maximum of 280% or 180% of the base value in the case, respectively, of the Chief Executive Officer/General Manager or the other beneficiaries.

The Plans establish that, of the total incentive effectively vested, the bonus will be fully paid in Shares: (a) for the LTI 2019, 2020, 2021, 2022 and 2023 Plans (i) up to 100% of the base value for the Chief Executive Officer/General Manager (up to 130% for the 2022 LTI Plan), and (ii) up to 50% of the base value for the other beneficiaries (up to 65% for the 2022 LTI Plan); (b) for the LTI 2023 Plan (i) up to 150% of the base value for the Chief Executive Officer/General Manager, (ii) up to 100% of the base value for officers reporting directly to the Chief Executive Officer/Gen-

eral Manager, including key management personnel, and (iii) up to 65% of the base value for the other beneficiaries, other than those indicated under (i) and (ii) above.

The actual award of the bonus under the Plans is subject to the achievement of specific performance targets during the three-year performance period. If these targets are achieved, 30% of both the stock and cash components of the incentive will be paid in the first year following the end of the performance period and the remaining 70% will be paid in the second year following the end of the performance period. The payment of a substantial portion of long-term variable remuneration (70% of the total) is therefore deferred to the second year following the end of

the performance period of the individual Plans.

The following table provides information on the 2019 LTI Plan, the 2020 LTI Plan, the 2021 LTI Plan, the 2022 LTI Plan, and the 2023 LTI Plan.

For more information on the characteristics of the Plans, please see the information documents prepared pursuant to Article 84-bis of the CONSOB Regulation issued with Resolution no. 11971 of May 14, 1999 (the Issuers Regulation), which are available to the public in the section of Enel's website (www.enel.com) dedicated to the Shareholders' Meetings held respectively on May 16, 2019, May 14, 2020, May 20, 2021, May 19, 2022 and May 10, 2023.

	Grant date	Performance period	Verification of achievement of targets	Payout
2019 LTI Plan	12.11.2019 ⁽⁵⁵⁾	2019-2021	2022 ⁽⁵⁶⁾	2022-2023 ⁽⁵⁷⁾
2020 LTI Plan	17.09.2020 ⁽⁵⁸⁾	2020-2022	2023 ⁽⁵⁹⁾	2023-2024 ⁽⁶⁰⁾
2021 LTI Plan	16.09.2021 ⁽⁶¹⁾	2021-2023	2024 ⁽⁶²⁾	2024-2025
2022 LTI Plan	21.09.2022 ⁽⁶³⁾	2022-2024	2025 ⁽⁶⁴⁾	2025-2026
2023 LTI Plan	05.10.2023 ⁽⁶⁵⁾	2023-2025	2026 ⁽⁶⁶⁾	2026-2027

In implementation of the authorizations granted by the Shareholders' Meetings held on the dates indicated above and in compliance with the associated terms and conditions, the Board of Directors approved – at its meetings of September 19, 2019, July 29, 2020, June 17, 2021, June 16, 2022 and October 5, 2023 – the launch of share buyback

programs to serve the 2019 LTI Plan, the 2020 LTI Plan, the 2021 LTI Plan, the 2022 LTI Plan, and the 2023 LTI Plan respectively. The number of Shares whose purchase was authorized by the Board of Directors for each Plan, the actual number of Shares purchased, the associated weighted average price and total value are shown below.

- (55) The date on which the Board of Directors approved the procedures and timing for granting the 2019 LTI Plan to the beneficiaries (taking account of the proposal issued by the Nomination and Compensation Committee at its meeting of November 11, 2019).
- (56) On the occasion of the approval of the consolidated financial statements of the Enel Group at December 31, 2021, the Board of Directors verified the level of achievement of the performance targets of the 2019 LTI Plan.
- (57) On September 5, 2022 the Company awarded part of the equity component of the bonus vested by the beneficiaries of the 2019 LTI Plan, in accordance with the Plan rules. The remainder of the equity component of the bonus vested by the beneficiaries of the 2019 LTI Plan was awarded on September 5, 2023.
- (58) The date on which the Board of Directors approved the procedures and timing for granting the 2020 LTI Plan to the beneficiaries (taking account of the proposal issued by the Nomination and Compensation Committee at its meeting of September 16, 2020).
- (59) On the occasion of the approval of the consolidated financial statements of the Enel Group at December 31, 2022, the Board of Directors verified the level of achievement of the performance targets of the 2020 LTI Plan.
- (60) On September 5, 2023 the Company awarded part of the equity component of the bonus vested by the beneficiaries of the 2020 LTI Plan, in accordance with the Plan rules.
- (61) The date on which the Board of Directors approved the procedures and timing for granting the 2021 LTI Plan to the beneficiaries (taking account of the proposal issued by the Nomination and Compensation Committee at its meeting of June 9, 2021).
- (62) On the occasion of the approval of the consolidated financial statements of the Enel Group at December 31, 2023, the Board of Directors will verify the level of achievement of the performance targets of the 2021 LTI Plan.
- (63) The date on which the Board of Directors approved the procedures and timing for granting the 2022 LTI Plan to the beneficiaries (taking account of the proposal issued by the Nomination and Compensation Committee at its meeting of June 8, 2022).
- (64) On the occasion of the approval of the consolidated financial statements of the Enel Group at December 31, 2024, the Board of Directors will verify the level of achievement of the performance targets of the 2022 LTI Plan.
- (65) The date on which the Board of Directors approved the procedures and timing for granting the 2023 LTI Plan to the beneficiaries (taking account of the proposal issued by the Nomination and Compensation Committee at its meeting of October 4, 2023).
- (66) On the occasion of the approval of the consolidated financial statements of the Enel Group at December 31, 2025, the Board of Directors will verify the level of achievement of the performance targets of the 2023 LTI Plan.

	Purchases authorized by the Board of Directors	Actual purchases		
	Number of Shares	Number of Shares	Weighted average price (euros per Share)	Total value (euros)
2019 LTI Plan	No more than 2,500,000 for a maximum amount of €10,500,000 million	1,549,152 ⁽⁶⁷⁾	6.7779	10,499,999
2020 LTI Plan	1,720,000	1,720,000 ⁽⁶⁸⁾	7.4366	12,790,870
2021 LTI Plan	1,620,000	1,620,000 ⁽⁶⁹⁾	7.8737	12,755,459
2022 LTI Plan	2,700,000	2,700,000 ⁽⁷⁰⁾	5.1951	14,026,715
2023 LTI Plan	4,200,000	3,377,224 ⁽⁷¹⁾	6.2205 ⁽⁷²⁾	21,007,908 ⁽⁷³⁾

As a result of the purchases made to support the 2019 LTI Plan, the 2020 LTI Plan, the 2021 LTI Plan, the 2022 LTI Plan, and the 2023 LTI Plan, and taking into account the award on September 5, 2022 of 435,357 Shares to the beneficiaries of the 2019 LTI Plan and on September 5, 2023 of 1,268,689 Shares to the beneficiaries of the 2019 LTI Plan and 2020 LTI Plan, at December 31, 2023 Enel holds a total of 9,262,330 treasury shares, equal to about 0.09% of share capital. The share buyback program to serve the

2023 LTI Plan was completed with the purchases made on January 18, 2024. Taking account of the total number of Shares purchased to serve the 2023 LTI Plan, at the publication date of this document Enel holds a total of 10,085,106 treasury shares, equal to about 0.1% of share capital.

The following information concerns the equity instruments granted in 2019, 2020, 2021, 2022 and 2023.

	2023		2022			
	Number of Shares granted at the grant date	Fair value per Share at the grant date	Number of Shares potentially available for award	Number of Shares awarded	Number of Shares potentially available for award	Number of Shares awarded
2019 LTI Plan	1,538,547	6.983	0	956,562 ⁽⁷⁴⁾	1,021,328	435,357 ⁽⁷⁵⁾
2020 LTI Plan	1,638,775	7.380	728,265	312,127 ⁽⁷⁶⁾	1,631,951	-
2021 LTI Plan	1,577,773	7.0010	1,375,671	-	1,577,773	-
2022 LTI Plan	2,398,143	4.8495	2,023,677	-	2,395,323	-
2023 LTI Plan	4,040,820	5.5540	4,040,820	-	-	-

(67) Shares purchased in the period between September 23 and December 2, 2019, equal to about 0.015% of share capital.

(68) Shares purchased in the period between September 3 and October 28, 2020, equal to about 0.017% of share capital.

(69) Shares purchased in the period between June 18 and July 21, 2021, equal to about 0.016% of share capital.

(70) Shares purchased in the period between June 17 and July 20, 2022, equal to about 0.026% of share capital.

(71) Number of Shares purchased to serve the 2023 LTI Plan at December 31, 2023. The share buyback programs to serve the 2023 LTI Plan, launched on October 16, 2023, was completed with the purchases made on January 18, 2024. The program involved the purchase of a total of 4,200,000 Shares, equal to about 0.04% of share capital, at the weighted average price of €6.3145 per share and with a total value of €26,520,849.002.

(72) Weighted average price of the Shares purchased to serve the 2023 LTI Plan at December 31, 2023.

(73) Total value of the Shares purchased to serve the 2023 LTI Plan at December 31, 2023.

(74) The table shows the number of Shares awarded on September 5, 2023, to the beneficiaries of the 2019 LTI Plan, which make up the remaining portion of the equity component of the bonus vested by the beneficiaries following the achievement of the performance objectives of the Plan.

(75) The table shows the number of Shares awarded on September 5, 2022, to the beneficiaries of the 2019 LTI Plan, which make up part of the equity component of the bonus vested by the beneficiaries following the achievement of the performance objectives of the Plan. The remaining portion of the equity component of the bonus, in accordance with the terms and procedures of the rules of the 2019 LTI Plan, was paid on September 5, 2023.

(76) The table shows the number of Shares awarded on September 5, 2023, to the beneficiaries of the 2020 LTI Plan, which make up part of the equity component of the bonus vested by the beneficiaries following the achievement of the performance objectives of the Plan. Disbursement of the remaining portion of the equity component of the bonus is deferred to 2024, in accordance with the terms and procedures of the rules of the 2020 LTI Plan.

The fair value of those equity instruments is measured on the basis of the market price of Enel Shares at the grant date.⁽⁷⁷⁾

The cost of the equity component is determined on the basis of the fair value of the equity instruments granted and is recognized over the duration of the vesting period

through an equity reserve.

The total costs recognized by the Group through profit or loss amounted to €6 million in 2023 (€11 million in 2022).

There have been no terminations or amendments involving the 2019 LTI Plan, the 2020 LTI Plan, the 2021 LTI Plan, the 2022 LTI Plan, or the 2023 LTI Plan.

54. Related parties

As an operator in the field of generation, distribution, transport and sale of electricity and the sale of natural gas, Enel carries out transactions with a number of companies directly or indirectly controlled by the Italian State, the

Group's controlling shareholder.

The table below summarizes the main types of transactions carried out with such counterparties.

Related party	Relationship	Nature of main transactions
Single Buyer	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Purchase of electricity for the enhanced protection market
Cassa Depositi e Prestiti Group	Directly controlled by the Ministry for the Economy and Finance	Sale of electricity on the Ancillary Services Market (Terna) Sale of electricity transport services (Eni Group) Purchase of transport, dispatching and metering services (Terna) Purchase of postal services (Poste Italiane) Purchase of fuels for generation plants and natural gas storage and distribution services (Eni Group)
ESO – Energy Services Operator	Fully controlled (directly) by the Ministry for the Economy and Finance	Sale of subsidized electricity Payment of A3 component for renewable resource incentives
EMO – Energy Markets Operator	Fully controlled (indirectly) by the Ministry for the Economy and Finance	Sale of electricity on the Power Exchange (EMO) Purchase of electricity on the Power Exchange for pumping and plant planning (EMO)
Leonardo Group	Directly controlled by the Ministry for the Economy and Finance	Purchase of IT services and supply of goods

In addition, the Group conducts essentially commercial transactions with associated companies or companies in which it holds non-controlling interests.

Finally, Enel also maintains relationships with the pension funds FOPEN and FONDENEL, as well as Fondazione Enel and Enel Cuore, an Enel non-profit company devoted to providing social and healthcare assistance.

All transactions with related parties were carried out on

normal market terms and conditions, which in some cases are determined by the Regulatory Authority for Energy, Networks and the Environment.

The following tables summarize transactions with related parties, associated companies and joint ventures outstanding at December 31, 2023 and December 31, 2022 and carried out during the period.

(77) For the 2019 LTI Plan, the grant date is November 12, 2019, i.e. the date of the meeting of the Board of Directors that approved the procedures and timing of the grant under the 2019 LTI Plan to the beneficiaries.
For the 2020 LTI Plan, the grant date is September 17, 2020, i.e. the date of the meeting of the Board of Directors that approved the procedures and timing of the grant under the 2020 LTI Plan to the beneficiaries.
For the 2021 LTI Plan, the grant date is September 16, 2021, i.e. the date of the meeting of the Board of Directors that approved the procedures and timing of the grant under the 2021 LTI Plan to the beneficiaries.
For the 2022 LTI Plan, the grant date is September 21, 2022, i.e. the date of the meeting of the Board of Directors that approved the procedures and timing of the grant under the 2022 LTI Plan to the beneficiaries.
For the 2023 LTI Plan, the grant date is October 5, 2023, i.e. the date of the meeting of the Board of Directors that approved the procedures and timing of the grant under the 2023 LTI Plan to the beneficiaries.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group ⁽¹⁾	Other
Income statement					
Revenue from sales and services	-	3,172	14	3,626	224
Other income	-	-	-	10	3
Other financial income	-	-	-	2	-
Electricity, gas and fuel purchases	2,035	7,098	11	2,304	2
Costs for services and other materials	-	63	2	2,751	72
Other operating costs	11	201	355	51	2
Net results from commodity contracts	-	-	-	-	-
Other financial expense	1	-	-	29	-

(1) Includes balances mainly referring to: Terna, Cassa Depositi e Prestiti SpA, Eni, Sham, Poste Italiane, Ansaldo Energia and Italgas.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group ⁽¹⁾	Other
Statement of financial position					
Other non-current financial assets	-	-	-	-	1
Non-current financial derivative assets	-	-	-	-	-
Other non-current assets	-	-	-	6	-
Trade receivables	-	84	7	940	59
Other current financial assets	-	-	-	5	1
Other current assets	-	-	17	23	3
Long-term borrowings	-	-	-	357	-
Non-current contract liabilities	-	-	-	11	7
Non-current financial derivative liabilities	-	-	-	-	-
Short-term borrowings	-	-	-	-	-
Current portion of long-term borrowings	-	-	-	89	-
Trade payables	497	201	378	1,616	8
Current financial derivative liabilities	-	-	-	-	-
Current contract liabilities	-	-	-	31	22
Other current liabilities	-	-	-	3	34
Other information					
Guarantees issued	-	-	-	10	60
Guarantees received	-	-	-	136	36
Commitments	-	-	-	23	-

(1) Includes balances mainly referring to: Terna, Cassa Depositi e Prestiti SpA, Eni, Sham, Poste Italiane, Ansaldo Energia and Italgas.

Total 2023	Associates and joint ventures	Overall total 2023	Total in financial statements	% of total
7,036	224	7,260	92,882	7.8%
13	5	18	2,683	0.7%
2	237	239	2,916	8.2%
11,450	128	11,578	46,270	25.0%
2,888	463	3,351	18,304	18.3%
620	-	620	6,125	10.1%
-	(7)	(7)	(2,966)	0.2%
30	59	89	5,966	1.5%

Total at Dec. 31, 2023	Associates and joint ventures	Overall total at Dec. 31, 2023	Total in financial statements	% of total
1	1,929	1,930	8,750	22.1%
-	4	4	2,383	0.2%
6	-	6	2,249	0.3%
1,090	176	1,266	17,773	7.1%
6	168	174	4,329	4.0%
43	49	92	4,099	2.2%
357	302	659	61,085	1.1%
18	-	18	5,743	0.3%
-	8	8	3,373	0.2%
-	3	3	4,769	0.1%
89	22	111	9,086	1.2%
2,700	129	2,829	15,821	17.9%
-	15	15	6,461	0.2%
53	-	53	2,126	2.5%
37	3	40	14,760	0.3%
70	-	70		
172	-	172		
23	-	23		

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group ⁽¹⁾	Other
Income statement					
Revenue from sales and services	-	7,949	87	4,497	196
Other income	-	-	-	389	-
Other financial income	-	-	-	-	-
Electricity, gas and fuel purchases	6,379	16,817	2	4,266	3
Costs for services and other materials	-	220	2	3,258	73
Other operating costs	10	147	-	420	3
Net results from commodity contracts	-	-	-	50	-
Other financial expense	1	-	2	10	-

(1) Includes balances mainly referring to: Terna, Cassa Depositi e Prestiti SpA, Eni, Snam, Poste Italiane, Ansaldo Energia and Italgas.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group ⁽¹⁾	Other
Statement of financial position					
Other non-current financial assets	-	-	-	-	-
Trade receivables	-	220	6	1,040	38
Current financial derivative assets	-	-	-	-	-
Other current financial assets	-	-	-	5	-
Other current assets	-	-	30	58	2
Long-term borrowings	-	-	-	447	-
Non-current contract liabilities	-	-	-	9	8
Non-current financial derivative liabilities	-	-	-	-	-
Short-term borrowings	-	-	-	-	-
Current portion of long-term borrowings	-	-	-	89	-
Trade payables	1,211	305	6	1,097	(1)
Other current financial liabilities	-	-	-	-	-
Current contract liabilities	-	-	-	23	20
Other current liabilities	-	-	-	3	23
Other information					
Guarantees issued	-	20	-	11	58
Guarantees received	-	-	-	134	36
Commitments	-	-	-	149	-

(1) Includes balances mainly referring to: Terna, Cassa Depositi e Prestiti SpA, Eni, Snam, Poste Italiane, Ansaldo Energia and Italgas.

Total 2022	Associates and joint ventures	Overall total 2022	Total in financial statements	% of total
12,729	210	12,939	135,653	9.5%
389	-	389	4,864	8.0%
-	154	154	3,430	4.5%
27,467	413	27,880	96,896	28.8%
3,553	247	3,800	20,228	18.8%
580	1	581	4,685	12.4%
50	-	50	2,365	2.1%
13	21	34	5,880	0.6%

Total at Dec. 31, 2022	Associates and joint ventures	Overall total at Dec. 31, 2022	Total in financial statements	% of total
-	1,885	1,885	8,359	22.6%
1,304	259	1,563	16,605	9.4%
-	5	5	14,830	-
5	99	104	13,753	0.8%
90	63	153	4,314	3.5%
447	327	774	68,191	1.1%
17	-	17	5,747	0.3%
-	9	9	5,895	0.2%
-	14	14	18,392	0.1%
89	21	110	2,835	3.9%
2,618	192	2,810	17,641	15.9%
-	1	1	853	0.1%
43	-	43	1,775	2.4%
26	21	47	11,713	0.4%
89	-	89		
170	-	170		
149	-	149		

With regard to disclosures on the remuneration of directors, members of the Board of Statutory Auditors, the

General Manager and key management personnel, provided for under IAS 24, please see the following tables.

Millions of euro					
	2023	2022	Change		
Remuneration of members of the Board of Directors and Board of Statutory Auditors and the General Manager					
Short-term employee benefits	5	5	-	-	
Termination benefits	5	-	5	-	
Share-based payments	1	1	-	-	
Total	11	6	5	83.3%	

Millions of euro					
	2023	2022	Change		
Remuneration of key management personnel					
Short-term employee benefits	8	13	(5)	-38.5%	
Termination benefits	4	-	4	-	
Share-based payments	1	2	(1)	-50.0%	
Total	13	15	(2)	-13.3%	

In November 2010, the Board of Directors of Enel SpA approved a procedure governing the approval and execution of transactions with related parties carried out by Enel SpA directly or through subsidiaries (Enel Procedure for Transactions with Related Parties). The procedure (available at <https://www.enel.com/investors/bylaws-rules-and-policies/transactions-with-related-parties/>) sets out rules designed to ensure the transparency and procedural and substantive propriety of transactions with related parties.

It was adopted in implementation of the provisions of Article 2391-*bis* of the Italian Civil Code and the implementing regulations issued by CONSOB with Resolution no. 17221 of March 12, 2010, as amended ("CONSOB Regulation").

No related-party transactions requiring disclosure in the financial statements pursuant to the CONSOB Regulation were carried out in 2023.

55. Government grants – Disclosure pursuant to Article 1, paragraphs 125–129, of Law 124/2017

Pursuant to Article 1, paragraphs 125–129, of Law 124/2017 as amended, the following provides information on grants received from Italian public agencies and bodies, as well as donations by Enel SpA and the fully consolidated subsidiaries to companies, individuals and public and private entities. The disclosure comprises: (i) grants received from Italian public entities/State entities; and (ii) donations made by Enel SpA and Group subsidiaries to public or private parties resident or established in Italy.

The following disclosure includes payments in excess of €10,000 made by the same grantor/donor during 2023, even if made in multiple financial transactions. They are recognized on a cash basis.

Pursuant to the provisions of Article 3-*quater* of Decree Law 135 of December 14, 2018, ratified with Law 12 of February 11, 2019, for grants received, please refer to the information contained in the National Register of State Aid referred to in Article 52 of Law 234 of December 24, 2012.

Grants received in millions of euro

Financial institution/ Grantor	Beneficiary	Amount	Notes
Regione Sicilia	Enel X Mobility Srl (Enel X Way Italia Srl as from July 1, 2023)	(1.03)	Instalment of grant for the Sicilia Smart Charging project, financed under the PNIRE Regione Sicilia
MIUR	Enel X Srl	(0.38)	Instalment of grant for the SE4I project application, financed under the PON MIUR R&SSI PNR 2015–2020
MIMIT	Enel Produzione SpA	(0.04)	Balance of grant for the Hydrostore project financed under the 2015 Bando Industria
MASE	e-distribuzione SpA	(347.79)	10% advance payment of the SmartGrid and Resilience projects of the NRRP
MASE	e-distribuzione SpA	(15.68)	Progress payment for PON IC 2014/2020 FESR, ASSE IV, AZIONE 4.3.1, of the projects: Agrigento, Pachino, Priolo, Campagna, Ciminna, Valguarnera, Santa Croce Camerina, Mussomeli, Scordia, Ragusa 3
European Commission	e-distribuzione SpA	(0.10)	Progress payment for R&D project Life Lanario (LIFE funding program)
European Commission	e-distribuzione SpA	(0.02)	Progress payment for R&D project Flexplan (H2020 funding program)
MASE	e-distribuzione SpA	(10.69)	Progress payment for R&D project Puglia Active Network (NER 300 funding program)
		(375.73)	Total

Grants made in millions of euro

Grantor	Beneficiary	Amount	Notes
Enel SpA	Fondazione Centro Studi Enel	0.10	Donation
Enel SpA	Enel Cuore Onlus	0.59	Donation in support of projects identified in 2023
Enel SpA	Luiss Guido Carli	0.07	Donation for the development and transmission of scientific, technological and humanistic knowledge
Enel SpA	Human Foundation	0.05	Donation to generate and develop innovative solutions to social problems
Enel SpA	FGS Onlus	0.03	Donation to promote equal opportunities
Enel X Srl	Enel Cuore Onlus	0.04	2023 contribution
Enel Green Power Italia	Lega Navale Italiana Sezione Belluno	0.04	Donation for the "Vela per Tutti" project
Enel Green Power Italia	Lega Navale Italiana Sezione Belluno	0.02	Donation for the "Vela per Tutti" project
Enel Produzione SpA	Fondazione Vajont 9 Ottobre 1963 Onlus	0.05	Donation Vajont Foundation
Enel Produzione SpA	Fondazione Centro Studi Enel	0.41	1st Instalment 2023 grant
Enel Produzione SpA	Enel Cuore Onlus	0.15	1st Instalment 2023 grant
Enel Produzione SpA	Enel Cuore Onlus	0.70	Balance 2022 grant
Enel Produzione SpA	Comune di Civitavecchia	0.08	Sustainability Plan City of Civitavecchia
Enel Produzione SpA	Capitaneria di Porto Empedocle	0.03	Design, construction and installation of removable metal structure to shade area of Port Authority of Porto Empedocle for parking of associated military vehicles
Enel Energia SpA	Fondazione Centro Studi Enel	0.90	50% advance on 2023 contribution
Enel Energia SpA	Enel Cuore Onlus	0.33	20% advance on 2023 contribution
Enel Energia SpA	Fondazione Centro Studi Enel	0.89	Balance 2022 contribution
Enel Italia SpA	Enel Cuore Onlus	0.07	Balance 2022 extraordinary contribution
Enel Italia SpA	Capone Valentina	0.01	Modal donation "Alleva la Speranza" project
Enel Italia SpA	Fondazione Nazionale Accademia Santa Cecilia	0.60	Donation to support the Foundation cultural activities
Enel Italia SpA	Teatro alla Scala di Milano	0.60	Donation to the Teatro alla Scala to support the cultural activities of the Foundation
Enel Italia SpA	Fondazione MAXXI	0.60	Donation to support the Foundation cultural activities
Enel Italia SpA	Fondazione Centro Studi Enel	0.05	2022 contribution to support research and higher education projects
Enel Italia SpA	Croce Rossa Italiana	0.26	Donation of medical-health equipment/materials purchased for COVID vaccination centers in Enel locations
Enel Global Trading SpA	Fondazione Centro Studi Enel	1.02	Contribution aimed at supporting and developing research and higher education projects
e-distribuzione SpA	Enel Cuore Onlus	1.89	80% balance of 2022 grant
e-distribuzione SpA	Enel Cuore Onlus	0.33	20% balance of 2023 grant
e-distribuzione SpA	Fondazione Centro Studi Enel	1.28	50% balance of 2022 grant
e-distribuzione SpA	Fondazione Centro Studi Enel	0.88	50% balance of 2023 grant
e-distribuzione SpA	Dipartimento della Protezione Civile Presidenza del Consiglio dei Ministri	0.67	Free transfer of company assets to be transported and delivered to the Ukrainian authorities as part of the initiative to support the energy sector in Ukraine promoted by Energy Community in collaboration with the European Union Civil Protection Mechanism (UCPM)
		12.74	Total

56. Contractual commitments and guarantees

The commitments entered into by the Enel Group and the guarantees given to third parties are shown below.

Millions of euro			
	at Dec. 31, 2023	at Dec. 31, 2022	Change
Guarantees given:			
- sureties and other guarantees granted to third parties	3,407	4,296	(889)
Commitments to suppliers for:			
- electricity purchases	63,422	64,878	(1,456)
- fuel purchases	47,666	96,996	(49,330)
- various supplies	3,017	2,449	568
- tenders	6,982	6,165	817
- other	6,483	6,889	(406)
Total	127,570	177,377	(49,807)
TOTAL	130,977	181,673	(50,696)

Compared with December 31, 2022, the decrease of €1,456 million in commitments for “electricity purchases” is essentially attributable to companies in Latin America, in particular in Chile, and developments in electricity prices.

The decrease of €49,330 million in commitments for “fuel purchases” mainly regards the decrease in gas prices, especially in Italy and Spain, compared to 2022.

For more details on the expiry of commitments and guarantees, please see the section “Commitments to purchase commodities” in note 49.

57. Contingent assets and liabilities

The following reports the main contingent assets and liabilities at December 31, 2023, which are not recognized in the consolidated financial statements as they do not meet the requirements provided for in IAS 37.

Hydroelectric concessions – Italy

Italian regulations governing large-scale hydroelectric concessions were most recently modified by the “Simplifications Decree” (Decree Law 135 of 2018 ratified with Law 12 of February 11, 2019), which introduced a series of innovations regarding the granting of such concessions upon their expiry and the valorization of the assets and works connected to them to be transferred to the new concession holder. This legislation also introduced a number of changes in the matter of concession fees, establishing a fixed and variable component of fees, as well as an obligation to provide free power to public bodies (220 kWh of power for each kW of average nominal capacity of the facilities covered by the concession). In implementation of this national law and under specific enabling authority, as of today various regions (Lombardy, Piedmont, Emilia-Romagna, Friuli-Venezia Giulia, the Province of Trento, Veneto, Calabria, Basilicata, Abruzzo and Umbria) have enacted regional laws implementing state legislation, and requested

payment of the dual-component fee and the monetization of free electricity supplies.

Enel Produzione SpA and Enel Green Power SpA challenged before the Superior Public Water Resources Court implementing acts issued under the individual regional laws and the subsequent payment notices of fees and the monetization of free electricity supplies, asking that they be declared void and raising the question of constitutional illegitimacy of both the national law and the regional laws.

The companies initiated the proceedings by complaining that the regional implementing acts – as well as the regional legislation which they implement – were constitutionally illegitimate, first for violation of national legislation and various primary principles protected both by the Italian Constitution and European law concerning legitimate expectations, property rights, reasonableness, private initiative, and concessions, where:

- they provide for retroactive application to valid large diversion concessions of the dual-component fee and the obligation to supply free power or its financial equivalent;
- they order the monetization of the obligation to supply free energy, which is not envisaged in the national law.

Furthermore, the introduction by the regions of these new obligations to pay the new dual-component fee (divided

into a fixed component and a variable component) and to supply a certain annual quantity of electricity free of charge in the form of payment of the associated monetary value, which is also to be paid by the holders of valid concessions that have not yet expired, creates an unexpected and unreasonable financial imbalance in the concession relationships. This circumstance is in evident contrast with the principles of reasonableness, proportionality and legitimate expectation of concession fees, compliance with which is required by constitutional case law if, in the context of long-term relationships, pejorative modifications are introduced. Both the national law and the regional implementing legislation violate Community principles and constitutional principles such as property rights, the principle of legal certainty, and the freedom of enterprise. In particular, the rules do not expressly provide for the transfer of the business unit from the outgoing to the successor concession holder, and also establish inadequate criteria for the valorization of the works to be transferred, which threatens to create what is essentially a mechanism for expropriation, in violation of constitutional principles.

The pending cases against the regions of Lombardy and Piedmont have been adjourned to the collegial hearings of April 24, 2024 and June 12, 2024, while the remaining proceedings are still pending in the preliminary investigation phase.

Antitrust proceeding 12461 – EE – Contract renewals – Italy

On December 13, 2022, the Competition Authority notified Enel Energia SpA (“the Company” or “EE”) and six other companies (Hera, A2A, Acea, Eni Plenitude, Engie, Edison) that it had initiated a proceeding for unfair commercial practices (violation of certain provisions of the Consumer Code and Article 3 of Legislative Decree 115/2022, the second “Aid Decree”).

In particular, the Competition Authority, among other things, argued that EE had sent its customers, in the period from May to October 2022, notices of price changes that were allegedly generic and omissive to the extent that they did not specify the expiry date of the financial conditions subject to renewal and represented an unwarranted exercise of *ius variandi* in modification of the financial conditions of the supply relationship, in violation of the aforementioned Article 3 of the second Aid Decree.

With the measure initiating the procedure, the Competition Authority simultaneously prohibited on a precautionary basis the sending of new price change notices and ordered the correction of those already sent.

All the operators subject to the order, including EE, challenged the provision, which was based on the assumption that any price change had been prohibited to suppliers in the period indicated by the second Aid Decree (August 10 – April 30, then extended until June 30, 2023 by Legislative Decree 198/2022, the “Milleproroghe Decree”).

Following the pronouncement of the Council of State of December 22, 2022 and the Milleproroghe Decree of December 29, 2022, which excluded the applicability of Article 3 of the Decree to contract renewals (of expiring offers) in compliance with the contractual terms of notice and without prejudice to the right of withdrawal of the counterparty, thus distinguishing them from those covered by the *ius variandi*, the Competition Authority, with a new precautionary measure on December 29, 2022, ordered the partial upholding of the original precautionary measure and confirmed the prohibition on changes or renewals of the financial conditions of expiring contracts for which the expiry date was not specifically identified or in any case predeterminable in the associated notice sent to the customer. EE filed an appeal for additional reasons against this measure. With a ruling published on May 19, 2023, the Lazio Regional Administrative Court accepted the arguments of EE and voided the two precautionary measures of the Competition Authority on December 12, 2022 and December 29, 2022, disagreeing with the logical process established by the Competition Authority as a basis for the provisions, which were deemed to lack grounds for success. In particular, according to the Court, the legislator intended to suspend only the changes to the rules portion of the agreement and not also the updating of expired or expiring prices, as this would fix the previous pricing conditions indefinitely. Both AGCM and EE appealed the Court ruling before the Council of State and the proceeding is pending.

In the meantime, on November 15, 2023, the Competition Authority, acting in the proceeding for unfair commercial practices, issued a ruling finding a violation of Articles 24 and 25 of the Consumer Code, levying a fine of €10 million on EE, which was paid by EE on December 15, 2023. On January 15, 2024, EE appealed to void the fine before the Lazio Regional Administrative Court.

In an order issued following the hearing held on March 20, 2024, the Lazio Regional Administrative Court granted a petition presented jointly by the parties to address the grounds for appeal at the hearing on the merits scheduled for July 17, 2024.

Criminal proceeding against e-distribuzione concerning an accident – Italy

On July 1, 2021, e-distribuzione SpA was notified of a proceeding against a number of its employees and managers and e-distribuzione SpA itself pursuant to Legislative Decree 231/2001, initiated by the Public Prosecutor’s Office of Taranto, following the accident that occurred on the night between June 27 and 28, 2021 in which an employee of a contractor was injured and subsequently died.

During the investigative phase, an unrepeatable technical assessment was ordered and the report of the Technical Consultant of the Public Prosecutor, dated December 15, 2021, was filed and incorporated in the Public Prosecutor’s case.

A notice of dismissal of charges was subsequently sent to some of the defendants and the subcontractor with whom the deceased worker was employed. A notice of conclusion of the preliminary investigation pursuant to Article 415-bis of the Code of Criminal Procedure was sent to the remaining defendants and the company and, on April 17, 2023, a notice was served to set the preliminary hearing before the Preliminary Hearing Judge of the Court of Taranto for May 23, 2023. Following adjournments, the preliminary hearing was scheduled to continue on February 20, 2024, when the parties were heard, including the request for a plea deal from one of the defendants. The Court then rescheduled the hearing to May 21, 2024 for the decision to send the case to trial.

In agreement with the insurance company, a process was defined to reach a settlement with the heirs of the deceased to extinguish the claims formulated by the injured parties without admission of liability.

Arbitration proceedings Enel Produzione SpA – Italy

In the 4th Quarter of 2023 a coal supplier initiated an arbitration proceeding against Enel Produzione requesting the fulfillment by the latter of certain coal supply contracts stipulated between the parties during 2021, performance of which was suspended by Enel Produzione in March 2022 due to the sanctions imposed with EU Regulations no. 269/2014 and no. 833/2014. A claim of about \$11 million was filed for supplies already executed and about \$62 million for expected supplier, plus interest. The arbitration proceedings are pending and are currently expected to be completed in 2025.

Green Network litigation – Italy

With a summons dated May 8, 2019, Green Network SpA (GN) sued Enel Energia SpA (EE) before the Court of Rome to ascertain alleged anti-competitive conduct (including illegal win-back practices) that EE carried out in an attempt to recover customers who would have moved to the competing trader and, as a result, order EE to pay damages quantified at €116,049,056, plus interest and monetary revaluation, in addition to the publication of the sentence. EE formally appeared in court, contesting the validity of the opposing party's claim in fact and law and requesting the complete denial of the claims, as well as an order for the plaintiff to pay damages for frivolous litigation. After conducting the preliminary investigation phase, during which a court-ordered phonic assessment was performed, the Court rejected the plaintiff's further preliminary investigation requests and adjourned the case for summing up to a hearing scheduled for June 27, 2024.

Penalty proceeding for Enel Energia – Italy

On February 29, 2024, the Personal Data Protection Authority (DPA) announced that it was levying a fine of

€79,107,101 on Enel Energia SpA, in addition to a number of prescriptive measures.

The action originates with a proceeding undertaken by the DPA in July 2023, during which the company was accused of failing to adopt an adequate system for monitoring and controlling the operation of its agencies, which, in the period from 2015 to 2022, also made use of operators who were not officially appointed, for the sole purpose of maximizing their profits even to the detriment of the company itself.

In the meantime, the company, acting for its own protection, had already taken all the contractually established measures against the agencies involved in the circumstances addressed by the penalty measure and had also filed criminal complaints against the operators who had acted abusively.

The company, considering the objections raised by the DPA to be unfounded, intends to challenge the provision before the Civil Court of Rome, filing a request for suspension of both the payment of the fine and the prescriptive measures.

BEG litigation – Italy, France, Luxembourg

Following an arbitration proceeding initiated by BEG SpA (BEG) in Italy, Enelpower SpA (now Enelpower Srl) obtained a ruling in its favor in 2002, which was upheld by the Court of Cassation in 2010, which entirely rejected the petition for damages with regard to alleged breach by Enelpower of an agreement concerning the assessment of the possible construction of a hydroelectric power station in Albania. Subsequently, BEG, acting through its subsidiary Albania BEG Ambient, filed suit against Enelpower and Enel SpA (Enel) in Albania concerning the matter, obtaining a ruling from the District Court of Tirana on March 24, 2009, upheld by the Albanian Court of Cassation, ordering Enelpower and Enel to pay tortious damages of about €25 million for 2004 as well as an unspecified amount of tortious damages for subsequent years. Following the ruling, Albania BEG Ambient demanded payment of more than €430 million.

In November 2016, Enel and Enelpower filed a petition with the Albanian Court of Cassation, asking for the ruling issued by the District Court of Tirana on March 24, 2009 to be voided. The proceeding is still pending.

With a ruling of the Court of Appeal of Rome of March 7, 2022, the further proceedings undertaken by Enel and Enelpower before the Court of Rome were concluded, having sought recognition of BEG's liability for having circumvented the arbitration award rendered in Italy in favor of Enelpower through the aforementioned initiatives undertaken by the subsidiary ABA. With the ruling, the Court of Appeal of Rome upheld the ruling of first instance rendered by the Court of Rome on June 16, 2015, which had denied the petition in the proceeding.

On May 20, 2021, the European Court of Human Rights (ECHR) issued a ruling with which it decided the appeal

brought by BEG against the Italian State for violation of Article 6.1 of the European Convention on Human Rights. With this decision, the Court denied BEG's request to re-open the above arbitration proceedings, and also rejected BEG's claim for pecuniary damages amounting to about €1.2 billion due to the absence of a causal link with the disputed conduct, granting it €15,000 in non-pecuniary damages.

Nonetheless, on December 29, 2021, BEG, with an action that the company and its legal counsel deemed unfounded and specious, also decided to sue the Italian State before the Court of Milan, to demand, as a consequence of the ECHR ruling, damages for tortious liability in an amount of about €1.8 billion. In this case, BEG also involved Enel and Enelpower by way of a claim of joint and several liability. With an order of June 14, 2022, the Court of Milan, in accepting the objection of territorial incompetence raised by the State Attorney, declared its incompetence to hear the dispute in favor of the Court of Rome, the court exclusively competent to hear the causes in which the Italian State is involved, ordering BEG to pay the costs of the proceedings in favor of the defendants. BEG did not resume the judgment before the Court of Rome within the legal term of October 14, 2022 and therefore the proceeding was extinguished.

A short time later, on November 3, 2022, BEG resubmitted the same claims for damages of the terminated proceeding, serving a new writ of summons before the Court of Milan against the same defendants, with the exception of the Italian State, which BEG declared not to wishing to agree to this judgement. Enel and Enelpower are preparing their defenses to proceed with the appearance in court in order to contest the claim, which is considered entirely specious and unfounded, like the previous similar initiative. Following the hearing for admission of evidence, the Court issued an order on October 26, 2023 denying the preliminary requests of the plaintiff and, considering the case ready for decision, scheduled final arguments for October 17, 2024.

Proceedings undertaken by Albania BEG Ambient Shpk (ABA) to obtain enforcement of the ruling of the District Court of Tirana of March 24, 2009

Italy

With an appeal notified on September 11, 2023, Albania BEG Ambient ShpK (ABA) initiated a proceeding before the Court of Appeal of Rome against Enel SpA and Enelpower Srl, in order to obtain, pursuant to Article 67 of Law 218/1995, enforcement of the ruling of the Court of Tirana of March 24, 2009. The two companies are preparing their defense to contest the claim for execution in Italy as well. Following the initial hearing, the Court of Appeal adjourned the proceeding until September 18, 2025 for oral arguments.

France

In 2012, ABA filed suit against Enel and Enelpower with the *Tribunal de Grande Instance* in Paris in order to render the ruling of the Albanian court enforceable in France.

On January 29, 2018, the *Tribunal de Grande Instance* rejected ABA claim. Among other issues, the *Tribunal de Grande Instance* ruled that: (i) the Albanian ruling conflicted with an existing decision (the arbitration ruling of 2002) and that (ii) the fact that BEG sought to obtain in Albania what it was not able to obtain in the Italian arbitration proceeding, resubmitting the same claim through ABA, represented fraud.

Subsequently, with a ruling of May 4, 2021, the Paris Court of Appeal denied the appeal by ABA, in full, upholding the ruling at first instance and, in particular, fully upholding the non-compatibility of the Albanian ruling with the arbitration award of 2002, ordering it to reimburse Enel and Enelpower €200,000.00 each for legal costs.

With a ruling of May 17, 2023 the French *Cour de Cassation* rejected ABA's appeal, thereby definitively denying the ABA's petition for execution.

Following the favorable ruling of the Court of Appeal, Enel initiated a separate proceeding to obtain release of the precautionary attachments granted to ABA of any receivables of Enel in respect of Enel France. With an order of June 16, 2022, the Court of Paris ordered the release of the precautionary attachments while also ordering ABA to pay Enel a total of about €146,000 in damages and legal costs. ABA challenged the aforementioned release order and the appeal was granted by the Paris Court of Appeal with a decision of May 17, 2023. On June 16, 2023 Enel filed a petition and on December 15, 2023 formally appealed that ruling before the French *Cour de Cassation*.

The Netherlands

In 2014, ABA filed suit with the Court of Amsterdam to render the ruling of the Albanian court enforceable in the Netherlands.

Following an initial ruling of June 29, 2016, in favor of ABA, in a ruling of July 17, 2018, the Amsterdam Court of Appeal upheld the appeal advanced by Enel and Enelpower, ruling that the Albanian judgment cannot be recognized and enforced in the Netherlands, as it was arbitrary and manifestly unreasonable and therefore contrary to Dutch public order. Subsequently, the proceeding before the Court of Appeal continued with regard to the subordinate question raised by ABA with which it asked the Dutch court to rule on the merits of the dispute in Albania and in particular the alleged tortious liability of Enel and Enelpower in the failure to build the power plant in Albania. On December 3, 2019, the Amsterdam Court of Appeal issued a definitive ruling in which it rejected any claim made by ABA, thereby confirming the denial of recognition and enforcement of the Albanian ruling in the Netherlands. Moreover, having re-analyzed the merits of the case under Albanian law,

the Court found no tortious liability on the part of Enel and Enelpower and ordered ABA to reimburse the companies for the losses incurred in illegitimate conservative seizures, to be quantified as part of a specific procedure, and the costs of the trial and appeal proceedings.

On July 16, 2021 the Supreme Court completely rejected ABA's appeals, ordering it to reimburse court costs.

Luxembourg

In Luxembourg, again at the initiative of ABA, J.P. Morgan Bank Luxembourg SA was also served with an order for a number of precautionary seizures of any receivables of both Enel Group companies in respect of the bank.

In parallel ABA filed a claim to obtain enforcement of the ruling of the Court of Tirana in Luxembourg. Owing to a number of procedural delays, the proceeding is still in the initial stages and no ruling has been issued. In particular, after several legal representatives appointed by ABA withdrew from the cause, in September 2023 the court suspended the proceeding.

United States and Ireland

In 2014, ABA had initiated two proceedings requesting execution of the Albanian sentence before the courts of the State of New York and Ireland, which both ruled in favor of Enel and Enelpower, respectively, on February 23 and February 26, 2018. Accordingly, there are no lawsuits pending in Ireland or New York State.

Environmental incentives – Endesa Generación SA – Spain

Following the Decision of November 27, 2017 (the "Decision") of the European Commission on the issue of environmental incentives for thermal power plants, on March 2, 2018 the Commission's Directorate-General for Competition has initiated a formal enquiry pursuant to Article 108, paragraph 2, of the Treaty on the Functioning of the European Union, in order to establish whether the environmental incentive for coal power plants provided for in Spain's Order ITC/3860/2007 represents State aid compatible with the internal market. On April 13, 2018, acting as an interested third party, Endesa Generación submitted comments contesting this interpretation. Subsequently, on September 8, 2021, the appeal of the decision lodged by Gas Natural (now Naturgy) with the General Court of the European Union was denied. The ruling was appealed by Naturgy and EDP España before the Court of Justice of the European Union (CJEU). Endesa Generación filed a request to participate in the proceeding and, with an order of June 1, 2022, the CJEU allowed that participation. Subsequently, following the filing of the ruling of the Advocate General, on December 14, 2023, the CJEU voided both the decision and ruling of the General Court.

Bono Social – Spain

In relation to the various financing schemes for the *Bono Social* adopted by the Spanish government, with ruling no. 212/2022 of February 21, 2022 the *Tribunal Supremo* ruled on the appeals filed by Endesa SA, Endesa Energía SAU and Energía XXI Comercializadora de Referencia SLU (Endesa) and other companies in the energy sector against the third scheme for financing the *Bono Social*, and for co-financing with government authorities of the supply to vulnerable consumers, envisaged under Article 45, paragraph 4 of Spain's Electricity Industry Law 24/2013, Royal Decree Law 7/2016 of December 23 and Royal Decree 897/2017 of October 6.

With the ruling, the *Tribunal Supremo*, partially allowing the appeals, found that (i) the aforesaid regime was inapplicable; (ii) Articles 12 to 17 of Royal Decree 897/2017 are inapplicable and void, and (iii) the appellants were entitled to be compensated for the amounts paid to finance the *Bono Social* and provide co-financing with government authorities, and to reimbursement of all costs incurred to fulfill the obligations set out in this mechanism, deducting any amounts transferred to customers, where applicable.

In the absence of voluntary compliance by the authorities, on November 10, 2022 the companies filed a petition for enforcement of the ruling, requesting immediate payment of the uncontested part, equal to about €152 million, for financing costs associated with customers in the regulated market, as well as payment of other amounts as quantified in the technical studies prepared by the companies. With an order of May 26, 2023 the *Tribunal Supremo* (i) ordered the government to pay Endesa €152,272,229.83, plus interest, (ii) required the Ministry for the Ecological Transition and the Demographic Challenge (MITECO) to quantify as soon as possible the additional amounts to be paid to Endesa in respect of (a) costs to finance the *Bono Social* for the free market, deducting any amounts transferred to customers, and (b) investments made to implement the *Bono Social*, and to pay Endesa those amounts, plus interest, within two months. On July 28, 2023, the Secretary of State for Energy (MITECO) announced a resolution that grants Endesa (i) an indemnity of €171.6 million (including interest) for financing costs associated with customers in the regulated market and (ii) an additional indemnity of €6.6 million (including interest) for costs incurred to implement the *Bono Social*. However, the resolution does not provide for any indemnity for the financing costs of the *Bono Social* for the free market. Therefore, on September 18, 2023 Endesa filed arguments supported by technical studies with the *Tribunal Supremo* to demonstrate Endesa's entitlement to be indemnified for the free market segment as well.

“Endesa I and II” industrial relations dispute – Spain

After being signed by the social partners and entering force on January 23, 2020, the 5th Endesa Collective Bargaining Agreement was published in the Spanish Official Journal (*Boletín Oficial del Estado*) on June 17, 2020, taking full effect.

On December 30, 2020, the *Audiencia Nacional* notified Endesa a new petition for a “collective dispute” initiated by three trade unions with minority representation filed on December 1, 2020, concerning the cancellation of some “derogatory provisions” of the 5th Endesa Collective Bargaining Agreement. The plaintiffs claim that the contested “derogatory provisions” would imply the illegitimate abolition of social benefits and economic rights of workers. Endesa considers these provisions to be fully legitimate, in line with the arguments made during proceeding concerning the reduction of social benefits for retired personnel. With a ruling of November 15, 2021, the petitions of the plaintiff unions were rejected, with verification of the legitimacy of the 5th Endesa Collective Bargaining Agreement. The ruling was appealed by the trade unions before the *Tribunal Supremo* and the proceeding is currently under way.

Moreover, with reference to the 4th Endesa Collective Bargaining Agreement, on July 7, 2021 the *Tribunal Supremo* issued a definitive ruling denying the appeals lodged by the aforementioned unions against the termination of the agreement by Endesa, affirming that social benefits (including those relating to electricity prices) originate exclusively in the collective bargaining agreements, both for employees currently in service and those who have retired, as well as for their family members, with the consequence that the termination of such agreements produces the general contractual regulation of the conditions established therein for employees currently in service and, for those who have retired and their family members, the definitive extinction of all their rights, until new regulations (which came with the 5th Endesa Collective Bargaining Agreement). That decision is also definitive for the individual proceeding brought concerning the same issue.

GNL Endesa Generación SA arbitration proceeding I – Spain

In the course of an arbitration proceeding to review the price of a long-term supply contract for liquefied natural gas (LNG) initiated by Endesa Generación SA, the defendant, an LNG production company, filed a counterclaim demanding payment of about \$1.283 billion at September 30, 2023. The proceeding was concluded with an award on November 15, 2023, with the partial grant of the counterclaim. Both parties filed petitions for clarification and correction of the award; a decision is pending. Meanwhile, the defendant issued an invoice in the amount of \$587 million.

GNL Endesa Generación SA arbitration proceeding II – Spain

In March 2023, a liquefied natural gas (LNG) producer initiated an arbitration proceeding within the context of a proceeding for the revision of the price of a long-term supply contract for LNG against Endesa Generación SA, demanding payment of about \$585 million at December 31, 2023. The amount of the claim could be revised depending on market developments in months up to the completion of arbitration proceeding, which is scheduled for the 2nd Half of 2024. The company believes that this counterclaim is unfounded.

Tractebel litigation – Brazil

In 1998 the Brazilian company CIEN (now Enel CIEN) signed an agreement with Tractebel (now Engie Brasil Energia SA) for the delivery of electricity from Argentina through its Argentina-Brazil interconnection line. As a result of Argentine regulatory changes introduced as a consequence of the economic crisis in 2002, Enel CIEN was unable to make the electricity available to Tractebel.

In October 2009, Tractebel sued Enel CIEN for alleged breach of contract. Enel CIEN submitted its defense citing force majeure as a result of the Argentine crisis as the main argument. Out of court, Tractebel indicated that it plans to acquire 30% of the interconnection line involved in the dispute. With a ruling of February 16, 2023, the court of first instance denied the grounds of the claim submitted by Tractebel against Enel CIEN. The ruling was appealed by Tractebel on March 20, 2023, but on February 29, 2024 the Court of Appeal upheld the decision at first instance in favor of Enel CIEN. The amount involved in the dispute is estimated at about R\$715 million (about €133 million), plus damages to be quantified.

For similar reasons, the company Furnas, in May 2010, had also presented a sue against Enel CIEN for the failure to deliver electricity, requesting payment of about R\$571.6 million (about €91 million), plus damages to be quantified, with a claim to acquire 70% of the interconnection line. The trial concluded in favor of Enel CIEN with a sentence issued by the *Tribunal de Justiça*, which became final on October 18, 2019, which rejected all of Furnas’ claims.

Cibran litigation – Brazil

Companhia Brasileira de Antibióticos (Cibran) has filed six suits against the Enel Group company Ampla Energia e Serviços SA (today Enel Distribuição Rio de Janeiro) to obtain damages for alleged losses incurred as a result of the interruption of electricity service by the Brazilian distribution company between 1987 and 2002, in addition to non-pecuniary damages. The Court ordered a unified technical appraisal for those cases, the findings of which were partly unfavorable to Enel Distribuição Rio de Janeiro. The latter challenged the findings, asking for a new study,

which led to the denial of part of Cibran's petitions. Cibran subsequently challenged the findings of the new study, but without success.

The first suit, regarding the years from 1995 to 1999, was denied in full with a ruling that became definitive on August 24, 2020.

With regard to the second case, filed in 2006 and regarding the years from 1987 to 1994, on June 1, 2015, the courts issued a ruling ordering Enel Distribuição Rio de Janeiro to pay R\$96 million (about €23 million) plus interest in pecuniary damages and R\$80,000 (about €19,000) in non-pecuniary damages. On November 6, 2019, the *Tribunal de Justiça* of Rio de Janeiro issued a ruling granting Enel Distribuição Rio de Janeiro's petition, and denying all of Cibran's claims. Subsequently, all the appeals submitted by Cibran between 2019 and 2022 were denied in full and, accordingly, the decision of November 6, 2019 in favor of Enel Distribuição Rio de Janeiro became final on March 24, 2023.

The remaining four suits for the years 2001 and 2002, which had been suspended pending the decision concerning the petition filed in 2006, are waiting to be taken up again. The value of all the disputes is estimated at about R\$729 million (about €131 million).

Coperva litigation – Brazil

As part of the project to expand the grid in rural areas of Brazil, in 1982 Coelce Companhia Energética do Ceará SA (today Enel Distribuição Ceará), then owned by the Brazilian government and now an Enel Group company, had entered into contracts for the use of the grids of a number of cooperatives established specifically to pursue the expansion project. The contracts provided for the payment of a monthly fee by Enel Distribuição Ceará, which was also required to maintain the networks.

Those contracts, between cooperatives established in special circumstances, did not specifically identify the grids governed by the agreements, which prompted a number of the cooperatives to sue Enel Distribuição Ceará asking for, among other things, a revision of the fees agreed.

These proceedings include: (a) the suit filed by Cooperativa de Eletrificação Rural do Vale do Acaraú Ltda (Coperva) with a value of about R\$475 million (about €89 million): Enel Distribuição Ceará was granted rulings in its favor from the trial court and the Court of Appeal, but Coperva filed an appeal (*embargo de declaração*) based on procedural issues, which was also denied by the Court of Appeal in a ruling of January 11, 2016. On February 3, 2016, Coperva lodged an extraordinary appeal before the *Tribunal Superior de Justiça* (TSJ) against the ruling on the merits, which was granted on November 5, 2018 for the ruling issued in the previous appeal (*embargo de declaração*). On December 3, 2018, Enel Distribuição Ceará filed an appeal (*agravo*

interno) against this ruling of the TSJ and the proceeding is currently pending; and (b) the suit filed by Cooperativa de Energia, Telefonia e Desenvolvimento Rural do Sertão Central Ltda (COERCE) with a value of about R\$285 million (about €53 million): in the suit COERCE requested a revision of the fee agreed for the use of its grids to be calculated on the basis of 2% of their value. The judgment is pending before the court of first instance, pending the performance of an engineering appraisal.

ANEEL litigation – Brazil

In 2014, Eletropaulo (today Enel Distribuição São Paulo) initiated an action before the Brazilian federal courts seeking to void the administrative measure of the *Agência Nacional de Energia Elétrica* (ANEEL, the national electricity agency), which in 2012 retroactively introduced a negative coefficient to be applied in determining rates for the following regulatory period (2011–2015). With this provision, ANEEL ordered the restitution of the value of some components of the network previously included in rates because they were considered non-existent and denied Enel Distribuição São Paulo's request to include additional components in rates. The administrative measure of ANEEL was challenged and on September 9, 2014, it was suspended on a precautionary basis. The first-instance proceeding has concluded and we are awaiting the decision. The value of the suit is about R\$1.3 billion (about €245 million).

Endicon – Brazil

On October 17, 2021 Endicon (former Enel service provider in Brazil) filed a lawsuit against Enel Distribuição Rio de Janeiro and Enel Distribuição Ceará in which it seeks total damages of approximately R\$500 million (about €93 million) for pecuniary and non-pecuniary damages incurred in connection with certain events allegedly attributable to Group companies, which occurred during the execution of the contracts and from the abusive exercise of contractual rights by the latter, which is alleged to have produced a loss on the management of the contracts. Following the revocation on May 10, 2022 of the precautionary measure that had been previously notified to the companies, on December 2, 2021, Enel Distribuição Rio de Janeiro and Enel Distribuição Ceará presented their defenses in the proceedings on the merits, and the evidentiary stage of the first-instance proceeding is continuing.

Socrel – Brazil

Enel Distribuição São Paulo has been sued by Serviços de Eletricidade and Telecomunicações Ltda (Socrel) for damages for losses caused by an alleged unlawful termination of contract by the Group company that involved a series of contracts between the parties, which would have caused Socrel's liquidity crisis. Following an expert report issued

during the proceedings, Socrel's request was quantified at R\$321 million (about €61 million). With the ruling of March 27, 2023, the *Tribunal de Justiça do Estado de São Paulo* denied the entire substance of the Socrel claim. Socrel challenged the ruling, which was overturned with a ruling of November 7, 2023 and remanded for trial at first instance to hear oral evidence not allowed in the first proceeding.

Extraordinary 2022 rate revision (Ceará) – Brazil

On April 19, 2022, the *Agência Nacional de Energia Elétrica* (ANEEL) issued resolution no. 3.026/2022 with which it authorized an average 24.85% rate increase for 2022 for the electricity distribution services performed by Enel Distribuição Ceará. Both private individuals and public institutions have challenged this resolution before the Federal Regional Court of the district of Ceará, for a total of six proceedings requesting, on precautionary basis, the cancellation of the effects of the resolution and, on a permanent basis, the voidance of the resolution itself, arguing that the rate increase is illegitimate. In all proceedings, Enel Distribuição Ceará has contested the petitioners' claims, arguing the legitimacy of the rate adjustment. On June 21, 2022, the Federal Regional Court rejected the precautionary request and joindered the six proceedings in a single proceeding in consideration of fact that the relief sought and the cause of action are the same. On September 23, 2022, Enel Distribuição Ceará also submitted that, as a result of certain subsequent legislative measures, the rate had been reduced following an extraordinary rate review and a reduction in taxes. The ruling remains pending. The estimated value of the proceeding has not been determined. Moreover, on July 31, 2023, an additional action was filed by one of the public petitioners with the Federal Regional Court for reasons connected with the previous actions, arguing that the rate increase was excessive in relation to the poor quality of service provided and alleged contractual breaches, as well as asking for collective non-pecuniary damages of about R\$55 million (about €10.6 million).

CTEEP – Brazil

On March 16, 2021 Enel Distribuição São Paulo (formerly Eletropaulo Metropolitana Eletricidade de São Paulo SA – Eletropaulo) filed a debt collection action before the *Tribunal de Justiça do Estado de São Paulo* in the amount of about R\$1.5 billion against the transmission system operator ISA CTEEP – Companhia de Transmissão de Energia Elétrica (CTEEP) as the original debtor for a liability arising prior to the privatization of Eletropaulo, against Centrais Elétricas Brasileiras SA (Eletrobras), which had initially been paid by Eletropaulo to the latter as part of a settlement agreement. With a decision of September 26, 2023, the competent Court of Appeal upheld the ruling

at first instance, which had denied Enel Distribuição São Paulo's claim, also quantifying the defense's legal costs due for losing the case at 13% of the present value of the claim, for an amount equal, at December 2023, to about R\$365 million (about € 68 million). With a ruling of January 12, 2024 the Court of Appeal denied the appeal of that decision by Enel Distribuição São Paulo. On February 23, 2024 the company also appealed the latter ruling before the higher courts.

Black-out November 2023 São Paulo – Brazil

Following the severe weather events that on November 3, 2023 hit the concession area of Enel Distribuição São Paulo (ED SP), on December 31, 2023, 341 individual actions and 6 collective actions were filed by representatives of municipalities, unions, political parties, the public prosecutor and the public defender's office requesting the grant of precautionary measures, the provision of assistance by ED SP, the provision of information/documentation, the maintenance of distribution service levels and the payment of individual and collective pecuniary and non-pecuniary damages to be determined in court. At December 31, 2023, the overall value of the individual actions was about R\$6.2 million (about €1.2 million) while the value of the collective actions was undetermined.

Black-out November 2023 Rio de Janeiro – Brazil

Following the severe weather events that on November 18, 2023 hit the concession area of Enel Distribuição Rio de Janeiro (ED RJ), on December 31, 2023, 3,308 individual actions and 16 collective actions were filed by representatives of municipalities, the public prosecutor and the public defender's office requesting the grant of precautionary measures, the provision of assistance by ED RJ, the provision of information/documentation, the maintenance of assistance measures and the payment of individual and collective pecuniary and non-pecuniary damages to be determined in court. At December 31, 2023 the overall value of the individual actions was about R\$61.3 million (about €11.4 million) while the value of the collective actions was undetermined.

GasAtacama Chile – Chile

In January 2020, the appeal proceeding was completed for the administrative fine levied in August 2016 by the *Superintendencia de Electricidad y Combustibles* (SEC) against GasAtacama Chile (now Enel Generación Chile) concerning the information provided to the CDEC- SING (*Centro de Despacho Económico de Carga*) in relation to the variables of the Technical Minimum and the Minimum Operation Time at the Atacama power station. Upon completion of the proceeding, the amount of the fine was reduced from approximately \$6 million to about \$432,000 and the amount was paid by the company.

In relation to the issue mentioned above, a number of operators of the *Sistema Interconectado del Norte Grande* (SING), including Aes Gener SA, Eléctrica Angamos SA and Engie Energía Chile SA, sued GasAtacama Chile in 2017 seeking damages for a total amount of about €189 million. On October 17, 2023, the Civil Court of Santiago issued a ruling partially upholding the plaintiffs' petitions in an amount to be quantified at a subsequent stage of the proceeding. On October 31, 2023 the ruling was challenged by all the defendants and the appeal proceeding is pending. The company and its external legal counsel feel that the likelihood of the plaintiffs' claim being upheld on appeal is remote.

Compañía Minera Arbiado – Chile

In 2016, Compañía Minera Arbiado and Ingenieros Asesores Limitada filed a suit against the *Ministerio de Bienes Nacionales*, the *Ministerio de Energía*, the *Ministerio de Minería* (together, the "Ministry"), the *Servicio Nacional de Geología y Minería* (Sernageomin), Enel Green Power Chile (EGP Chile) and Parque Eólico Taltal SA seeking damages for alleged losses incurred as a result of presumed violations of mining rights to the soil underneath the land on which the Taltal wind farm, which was built under a ministerial concession granted in 2012, is located.

With decision of December 6, 2023, the Civil Court of Santiago ordered Parque Eólico Taltal and EGP Chile, jointly and severally with Sernageomin, to pay an amount of about 346 billion Chilean pesos (equal to about €367 million) in favor of the plaintiffs.

The decision was challenged by the Group companies on December 22, 2023 and the appeal proceeding is pending. The companies and their external legal counsel feel that the likelihood of the plaintiffs' claim being upheld on appeal is remote.

El Quimbo – Colombia

A number of legal actions ("*acciones de grupo*" and "*acciones populares*") brought by residents and fishermen in the affected area are pending with regard to the El Quimbo project for the construction by Emgesa (now Enel Colombia) of a 400 MW hydroelectric plant in the region of Huila (Colombia). More specifically, the first collective action, currently in the preliminary stage, was brought by around 1,140 residents of the municipality of Garzón, who claim that the construction of the plant would reduce their business revenue by 30%. A second action was brought, between August 2011 and December 2012, by residents and businesses/associations of five municipalities of Huila claiming damages related to the closing of a bridge (Paso El Colegio). With regard to *acciones populares*, or class action lawsuits, in 2008 a suit was filed by a number of residents of the area demanding, among other things, that the environmental permit be suspended. As part of this action, on September 11, 2020, the Huila Court issued

a partially unfavorable ruling against Emgesa, sentencing it to fulfill the obligations already provided for in the environmental license. Both the *Autoridad Nacional de Licencias Ambientales* (ANLA) and Emgesa challenged this decision before the Council of State. On September 20, 2022, ANLA's appeal was denied because it had been filed late. The proceeding continues in relation to Emgesa's appeal.

Another *acción popular* was brought by a number of fish farming companies over the alleged impact that filling the Quimbo basin would have on fishing in the Betania basin downstream from Quimbo. After a number of precautionary rulings, on February 22, 2016, the Huila Court issued a ruling allowing generation to continue for six months. The court ordered Emgesa to prepare a technical design that would ensure compliance with oxygen level requirements and to provide collateral of about 20,000,000,000 Colombian pesos (about €5.5 million). The Huila Court subsequently extended the six-month time limit, and therefore, in the absence of contrary court rulings the Quimbo plant is continuing to generate electricity as the oxygenation system installed by Emgesa has so far demonstrated that it can maintain the oxygen levels required by the court. On March 22, 2018, ANLA and CAM jointly presented the final report on the monitoring of water quality downstream of the dam of the El Quimbo hydroelectric plant. Both authorities confirmed the compliance of Emgesa with the oxygen level requirements. On January 12, 2021, it was learned that the ruling of first instance of the Court of Huila had been issued. The ruling, while acknowledging that the oxygenation system implemented by Emgesa had mitigated the risks associated with the protection of fauna in the Bethany basin, imposed a series of obligations on the environmental authorities involved, as well as on Emgesa itself. In particular, the latter is required to implement a decontamination project to ensure that the water in the basin does not generate risks for the flora and fauna of the river, which will be subject to verification by ANLA, and to make permanent the operation of the oxygenation system, adapting it to comply with the parameters established by ANLA. On March 4, 2021, Emgesa challenged the appeal ruling before the Council of State. On December 31, 2021, the Council of State ruled that Emgesa's appeal was admissible. The proceeding is continuing at the appeal level.

Nivel de Tensión Uno proceedings – Colombia

This dispute involves an "*acción de grupo*" brought by Centro Médico de la Sabana hospital and other parties against Codensa (now Enel Colombia) seeking restitution of allegedly excess rates. The action is based upon the alleged failure of Codensa to apply a subsidized rate that they claim the users should have paid as *Tensión Uno* category users (voltage of less than 1 kV) and owners of infrastructure, as established in Resolution no. 82/2002, as amended by Resolution no. 97/2008. The preliminary stage

has been completed and a ruling is pending. The estimated value of the proceeding is about 337 billion Colombian pesos (about €96 million).

Group actions for flooding in Bosa and Kennedy neighborhoods of Bogotá – Colombia

Emgesa SA (now Enel Colombia SA) was sued with an “*acción de grupo*” brought by the residents of the Bosa and Kennedy neighborhoods of Bogotá (Colombia) seeking damages for flooding that occurred in 2010 and 2011 after the Bogotá overflowed its banks. The proceeding is at the preliminary stage. The estimated value of the proceeding is about 2.2 billion Colombian pesos (about €518 million).

Kino arbitration – Mexico

On September 16, 2020, Kino Contractor SA de Cv (Kino Contractor), Kino Facilities Manager SA de Cv (Kino Facilities) and Enel SpA (Enel) were notified of a request for arbitration filed by Parque Solar Don José SA de Cv, Villanueva Solar SA de Cv and Parque Solar Villanueva Tres SA de Cv (together, “Project Companies”) in which the Project Companies alleged the violation (i) by Kino Contractor of certain provisions of the EPC Contract and (ii) by Kino Facilities of certain provisions of the Asset Management Agreement, both contracts concerning solar projects owned by the three companies filing for arbitration. Enel – which is the guarantor of the obligations assumed by Kino Contractor and Kino Facilities under the above contracts – has also been called into the arbitration proceeding, but no specific claims have been filed against it for the moment.

The Project Companies, in which Enel Green Power SpA is a non-controlling shareholder, are controlled by CDPO Infraestructura Participación SA de Cv (which is controlled by Caisse de Dépôt et Placement du Québec) and CKD Infraestructura México SA de Cv.

On August 4, 2023, the arbitration ruling was notified. The arbitration board declared that it did not have jurisdiction against Enel SpA and, in partially granting the claim of the Project Companies, ordered Kino Contractor and Kino Facilities (now Enel Services Mexico SA de Cv – Enel Services) to pay penalties totaling about \$77 million, plus interest at an annual rate of 6%. Subsequently, Kino Contractor and Enel Services filed a petition requesting correction of the arbitration award, which was partially granted and, on December 13, 2023, they filed a petition to void the award before the Mexican courts. The proceeding is pending.

In December 2023, the Project Companies filed a suit before the Supreme Court of the State of New York against Enel, in its capacity as guarantor of the obligations assumed by Kino Contractor, to request payment due by the latter under the provisions of the arbitration award. The substance and legal grounds of the suit are being contested in full and the proceeding is pending.

Allianz – North America

On May 18, 2022, High Lonesome Wind Project LLC was sued in New York Superior Court by Allianz Risk Transfer Ltd for about \$203 million concerning an alleged liability accrued by the company, as of February 2021, in connection with a Proxy Revenue Swap. The claim is being contested in its entirety. The proceedings are currently pending before the Southern District Court in New York.

Osage Wind – North America

As part of a lawsuit filed by the United States (in its capacity as trustee of the Osage Nation) and the Osage Mineral Council against Enel Green Power North America, Enel Kansas LLC and Osage Wind LLC, on December 20, 2023 a ruling of the Oklahoma District Court ordered the removal of the wind farm and the continuation of the proceeding for damages, which were quantified by the plaintiffs in the amount of at least \$25 million. The proceeding is continuing at first instance and the plaintiffs’ claims have been contested. The ruling, which is not final, will be appealed at the appropriate time.

Gastalsa – Peru

In February 2022, Enel Generación Piura SA (EGPIURA) learned of a precautionary measure issued by the Civil Court of Talara of the Superior Court of Justice of Sullana (*Juzgado Civil de Talara de la Corte Superior de Justicia de Sullana*) in favor of Empresa de Gas de Talara SA (Gastalsa) which orders the *Dirección General de Hidrocarburos del Ministerio de Energía y Minas*, the *Organismo Superior de la Inversión en Energía y Minería* (OSINERGMIN) and the Ministry of Energy to (i) restore the natural gas concession of the Parinas district in favor of Gastalsa; and (ii) proceed with the upgrade and transfer of the pipeline owned by EGPIURA (which supplies natural gas to the Malacas thermal power station) to Gastalsa. That precautionary measure was a consequence of the ruling issued by the Court of Talara partially granting a claim filed by Gastalsa requesting to revoke the measure that canceled the concession granted to Gastalsa and the consequent transfer of the gas pipeline owned by EGPIURA to Gastalsa itself.

On August 2, 2022, the *Sala Civil de la Corte Superior de Justicia de Sullana* ruled against Gastalsa in the second-level appeal, referring the case to the court of first instance for a new decision. As a result of that decision, on September 9, 2022, the precautionary measure issued earlier was revoked.

In the meantime, in July 2022, the Constitutional Court had granted the petition of the system operator, an interested third party, acknowledging that the original petition of Gastalsa had been filed after the time limit. On January 24, 2023 the Constitutional Court also denied the appeal of that measure, which has thus become final, and ordered the Court of Appeal to issue a new decision concerning the forfeiture of the petition.

With a ruling of June 27, 2023, the Court of Appeal denied the claim of forfeit advanced by an affected third party, while with a decision of July 25, 2023 the court of first instance revoked the suspension of the proceeding that had been ordered and took up the case for a decision. With a measure of September 15, 2023, the court found the claim that the provision was null raised by EGPIURA and the other party was unfounded and scheduled oral arguments for September 25, 2023. EGPIURA and the other party in the proceeding appealed that ruling with the Court of Appeal, which, with decision of January 20, 2024, revoked the appealed measure and remanded the suit for trial at first instance. A decision is pending.

In the meantime, on August 9, 2023 EGPIURA also filed an appeal with the Superior Court of Justice of Lima against the decision of June 27, 2023 of the Court of Appeal, arguing that it conflicted with the ruling of the Constitutional Court of January 24, 2023.

The hearing to argue the case is scheduled for August 7, 2024.

Gabčíkovo litigation – Slovakia

Slovenské elektrárne (SE) is involved in a number of cases before the national courts concerning the 720 MW Gabčíkovo hydroelectric plant, which is administered by Vodohospodárska Výstavba Štátny Podnik (VV) and whose operation and maintenance, as part of the privatization of SE in 2006, had been entrusted to SE for a period of 30 years under an operating agreement (the VEG Operating Agreement).

Immediately after the closing of the privatization, the Public Procurement Office (PPO) filed suit with the Court of Bratislava seeking to void the VEG Operating Agreement on the basis of alleged violations of the regulations governing public tenders, qualifying the contract as a service contract and as such governed by those regulations. In November 2011 the trial court ruled in favor of SE, whereupon the PPO appealed the decision.

In parallel with the PPO action, VV also filed a number of suits, asking in particular for the voidance of the VEG Operating Agreement. On December 12, 2014, VV withdrew unilaterally from the VEG Operating Agreement, notifying its termination on March 9, 2015, for breach of contract. On March 9, 2015, the decision of the appeals court overturned the ruling of the trial court and voided the contract as part of the action pursued by the PPO. SE lodged an extraordinary appeal against that decision before the Supreme Court. At a hearing of June 29, 2016, the Supreme Court denied the appeal and SE then appealed the ruling to the Constitutional Court, which denied the appeal with a ruling on January 18, 2017, which then became final.

In addition, SE lodged a request for arbitration with the Vienna International Arbitral Centre (VIAC) under the VEG Indemnity Agreement. Under that accord, which had been signed as part of the privatization between the National

Property Fund (now MH Manazment – MHM) of the Slovak Republic and SE, the latter was entitled to an indemnity in the event of the early termination of the VEG Operating Agreement for reasons not attributable to SE. On June 30, 2017, the arbitration court issued its ruling denying the request of SE.

In parallel with this arbitration proceeding, both VV and MHM filed two suits in the Slovakian courts to void the VEG Indemnity Agreement owing to the alleged connection of the latter with the VEG Operating Agreement. These proceedings were rejected for procedural reasons on September 27, 2017. Both VV and MHM appealed that decision, and both the appeals were denied upholding the trial court decision in favor of SE. VV filed a further appeal (*dovolanie*) against that decision on March 9, 2020, with the Supreme Court, to which SE replied with a brief submitted on June 8, 2020. SE also filed an appeal before the Slovak Constitutional Court, which was denied on July 29, 2021. On March 24, 2021, the Supreme Court overturned the decision of the Bratislava Court of Appeal, referring the judgment to the latter court, and the proceeding is currently pending.

At the local level, VV has also filed other suits against SE for alleged unjustified enrichment (estimated at about €360 million plus interest) for the period from 2006 to 2015. SE filed counterclaims for all of the proceedings under way. Developments in those proceedings can be summarized as follows:

- i. for 2006–2008, at the hearing of June 26, 2019, the Court of Bratislava rejected VV's main claim and, consequently, SE's counterclaim. The ruling in first instance was appealed by both parties before the Court of Appeal of Bratislava. The proceedings relating to 2006 were completed with the decision of December 6, 2022, notified to SE on February 18, 2023, which upheld the ruling in first instance. In April 2023, both SE and VV filed extraordinary appeals before the Supreme Court against the Court of Appeal ruling and the proceeding is pending. As regards the proceedings relating to 2007, the Court of Appeal, in a ruling dated January 31, 2023, notified to SE on April 12, 2023, voided the decision of first instance, referring the case back to the Court of Bratislava for a new judgment. The first hearing was held on January 8, 2024 and the proceeding was adjourned to a hearing scheduled for September 11, 2024. The proceedings relating to 2008 are still pending;
- ii. the proceedings relating to the years 2011 and 2015 are all pending before the court of first instance and briefs have been exchanged between the parties. For both proceedings, hearings before the court of first instance were postponed several times owing to the pandemic and are now postponed to dates to be determined;
- iii. the proceedings relating to the years 2009, 2010 and 2013 were completed in the court of first instance with ruling issued by the Court of Bratislava on, respectively, November 24, 15 and 22, 2022, rejecting both VV's

claim and SE's counterclaim. Between December 2022 and January 2023 both SE and VV filed appeals against the rulings relating to the years 2009, 2010 and 2013, and the proceeding is now pending. The proceedings relating to 2014 were completed at first instance with a ruling of the Court of Bratislava of October 10, 2023, which has not yet been published, rejecting the primary claim of VV and, consequently, the counterclaim of SE;

- iv. as regards the proceeding relating to the year 2012, on February 2, 2023 SE was notified of the appeal ruling upholding the ruling of first instance denying of both VV's claim and SE's counterclaim. Both VV and SE, on March 17, 2023 and March 31, 2023, respectively, have filed an extraordinary appeal with the Supreme Court against the appellate ruling and the proceeding is pending.

Finally, in another proceeding VV asked for SE to return the fee for the transfer from SE to VV of the technology assets of the Gabčíkovo plant as part of the privatization, with a value of about €43 million plus interest. After issuing a preliminary decision on the case in which it noted the lack of standing of VV, on December 18, 2020, the Court issued a decision in favor of SE, rejecting VV's claims. On January 4, 2021, VV filed an appeal against that decision, and the proceeding is pending.

Tax litigation in Brazil

Withholding Tax – Ampla

In 1998, Ampla Energia e Serviços SA (Ampla) financed the acquisition of Coelce with the issue of bonds in the amount of \$350 million ("Fixed Rate Notes" – FRN) subscribed by its Panamanian subsidiary, which had been established to raise funds abroad. Under the special rules then in force, subject to maintaining the bond until 2008, the interest paid by Ampla to its subsidiary was not subject to withholding tax in Brazil.

However, the financial crisis of 1998 forced the Panamanian company to refinance itself with its Brazilian parent, which for that purpose obtained loans from local banks. The tax authorities considered this financing to be the equivalent of the early extinguishment of the bond, with the consequent loss of entitlement to the exemption from withholding tax.

In December 2005, Ampla carried out a spin-off that involved the transfer of the residual FRN debt and the associated rights and obligations to Ampla Investimentos e Serviços SA.

On November 6, 2012, the *Câmara Superior de Recursos Fiscais* (the highest level of administrative courts) issued a ruling against Ampla, for which the company promptly asked that body for clarifications. On October 15, 2013, Ampla was notified of the denial of the request for clarification (*embargo de declaração*), thereby upholding the previous adverse decision. The company provided security

for the debt and on June 27, 2014 continued litigation before the ordinary courts (*Tribunal de Justiça*).

In December 2017, the court appointed an expert to examine the issue in greater detail in support of the future ruling. In September 2018, the expert submitted a report, requesting additional documentation.

In December 2018, the company, now Enel Distribuição Rio de Janeiro, provided the additional documentation and, in view of the conclusions presented by the expert, requested a further expert opinion. The case has been referred to the expert for clarifications regarding the position expressed by the company.

In July 2021, the supplementary report was filed by the expert in which the existence of the loan agreements was acknowledged and the bond loan was terminated, both for the principal amount and for interest, mainly through a capital increase. The company, called to pronounce on the report filed, requests the full cancellation of the tax debt. The amount involved in the dispute at December 31, 2023 was about €270 million.

PIS/COFINS/ICMS – Enel Distribuição São Paulo

In March 2017, the *Supremo Tribunal Federal* of Brazil (STF) ruled on the calculation of the PIS and COFINS taxes, confirming the argument that the ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) tax was not included in the calculation basis of the PIS and COFINS.

In May 2021, the STF established that the ruling would have effect from the judgment of March 2017, except for taxpayers who had filed an appeal before that date.

The Group's Brazilian companies affected by the STF ruling had already initiated legal action in their respective federal regional courts. Subsequently, the latter notified them of the final decision, recognizing the right to deduct the ICMS applied to their operations from the calculation basis of the PIS and COFINS. Since the excess payment of the PIS and COFINS taxes had been transferred to final customers, at the same time as the recognition of these recoverable taxes, a liability in respect of those customers was recognized in the same amount, net of any costs incurred or to be incurred in the legal proceedings. These liabilities represent an obligation to reimburse the recovered taxes to final customers.

In this regard, Enel Distribuição São Paulo initiated two proceedings that led to rulings in its favor. These regarded the periods from December 2003 to December 2014 and from January 2015 onwards. With regard to the second proceeding, the Federal Union filed an action of rescission against the company, disputing the fact that part of the period in question (prior to March 2017) would be adversely impacted by the STF ruling of May 2021.

In May 2022, the company challenged this action and will defend its actions through the various levels of the court system. During 2023, following an adverse ruling at the ap-

peal level, the company filed a new appeal seeking clarification of the ruling.

The estimated amount involved in the proceeding at December 31, 2023 was about €235 million.

IRPJ/CSLL – Eletropaulo

On October 5, 2021, Eletropaulo received an assessment notice from the Brazilian tax authorities contesting the deductibility for income tax purposes (*Imposto sobre a Renda das Pessoas Jurídicas* – IRPJ and *Contribuição Social sobre o Lucro Líquido* – CSLL) of the amortization of the increased values generated by extraordinary corporate transactions carried out before the acquisition of the company by the Enel Group. The contested period runs from 2017 to 2019.

Considering its position sound, the company presented its defense at the first level of administrative adjudication. The amount involved in the dispute at December 31, 2023 was about €158 million.

PIS – Eletropaulo

In July 2000, Eletropaulo filed suit seeking a tax credit for PIS (*Programa Integração Social*) paid in application of regulations (Decree Laws 2.445/1988 and 2.449/1988) that were subsequently declared unconstitutional by the *Supremo Tribunal Federal* (STF). In May 2012, the *Superior Tribunal de Justiça* (STJ) issued a final ruling in favor of the company that recognized the right to the credit.

In 2002, before the issue of that favorable final ruling, the company had offset its credit against other federal taxes. This behavior was contested by the federal tax authorities but the company, claiming it had acted correctly, challenged in court the assessments issued by the federal tax authorities. Following defeat at the initial level of adjudication, the company appealed.

The amount involved in the dispute at December 31, 2023 was about €134 million.

ICMS – Ampla, Coelce and Eletropaulo

The States of Rio de Janeiro, Ceará and São Paulo issued a number of tax assessments against Ampla Energia e Serviços SA (for the years 1996–1999 and 2007–2017), Companhia Energética do Ceará (2003, 2004, 2006–2012, 2015, 2016 and 2018) and Eletropaulo (2008–2021), challenging the deduction of ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) in relation to the purchase of certain non-current assets. The companies challenged the assessments, arguing that they correctly deducted the tax and asserting that the assets, the purchase of which generated the ICMS, are intended for use in their electricity distribution activities.

The companies are continuing to defend their actions at the various levels of adjudication.

The amount involved in the disputes totaled approximately €106 million at December 31, 2023.

Withholding Tax – Endesa Brasil

On November 4, 2014, the Brazilian tax authorities issued an assessment against Endesa Brasil SA (now Enel Brasil SA) alleging the failure to apply withholding tax to dividends, reclassified as payment of income to non-resident recipients.

More specifically, in 2009, Endesa Brasil, as a result of the first-time application of the IFRS, had derecognized goodwill, recognizing the effects in equity, on the basis of the correct application of the accounting standards it had adopted. The Brazilian tax authorities, however, asserted – during an audit – that the accounting treatment was incorrect and that the effects of the derecognition should have been recognized through profit or loss. As a result, the corresponding amount (about €202 million) was reclassified as a payment of income to non-residents and, therefore, subject to withholding tax of 15%.

It should be noted that the accounting treatment adopted by the company was agreed with the external auditor and also confirmed by a specific legal opinion issued by a local firm.

Following unfavorable rulings from the administrative courts, the company is continuing to defend its actions in court and the appropriateness of the accounting treatment.

The overall amount involved in the dispute at December 31, 2022 was about €77 million.

ICMS – Coelce

The State of Ceará has filed various tax assessments against Companhia Energética do Ceará SA over the years (for tax periods 2015–2018), as well as against all other energy distributors in Brazil, demanding the ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) on the subsidies paid by the Federal government against the regulatory discounts granted to certain consumers.

The company has appealed the individual assessments and is defending its actions in the various levels of jurisdiction.

The overall amount involved in the dispute at December 31, 2023 was about €69 million.

PIS/COFINS – Eletropaulo

Starting from June 2017, the Federal Tax Authority served a number of tax assessment notices against Eletropaulo (for the 2013–2018 tax periods) contesting the offsetting of tax credits relating to social security contributions (PIS and COFINS), requesting the payment of those contributions. The tax authorities argue that the company has claimed PIS and COFINS credits for the purchase of goods and

services that cannot be considered fiscally relevant since they are not essential for the distribution of electricity. Furthermore, it disputes the claim of a tax credit associated with “non-technical” losses on the electricity purchased.

The company has promptly defended the accuracy of its calculations in the various levels of jurisdiction and argued the validity of the offsets claimed.

The estimated amount involved in the proceeding at December 31, 2023 was about €55 million.

ICMS (pro-rata) – Coelce

The State of Ceará has filed various tax assessments against Companhia Energética do Ceará SA over the years (for tax periods from 2005 to 2014), contesting the determination of the deductible portion of the ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*, tax on the circulation of goods and services) and in particular the method of calculation of the pro-rata deduction with reference to the revenue deriving from the application of a special rate envisaged by the Brazilian government for the sale of electricity to low-income households (*Baixa Renda*).

The company has appealed the individual assessments, arguing that the tax deduction was calculated correctly. The company is defending its actions in the various levels of jurisdiction.

The overall amount involved in the dispute at December 31, 2023 was about €52 million.

PIS – Eletropaulo

In December 1995, the Brazilian government increased the rate of the federal PIS (*Programa Integração Social*) tax from 0.50% to 0.65% with the issue of a provisional measure (Executive Provisional Order).

Subsequently, the provisional measure was re-issued five times before its definitive ratification into law in 1998. Under Brazilian legislation, an increase in the tax rate (or the establishment of a new tax) can only be ordered by law and take effect 90 days after its publication.

Eletropaulo therefore filed suit arguing that an increase in the tax rate would only have been effective 90 days after the last Provisional Order, claiming that the effects of the first four provisional measures should be considered void (since they were never ratified into law). This dispute ended in April 2008 with recognition of the validity of the increase in the PIS rate starting from the first provisional measure.

In May 2008, the Brazilian tax authorities filed a suit against Eletropaulo to request payment of taxes corresponding to the rate increase from March 1996 to December 1998. Eletropaulo has fought the request at the various levels of adjudication, arguing that the time limit for the issue of the notice of assessment had lapsed. In particular, since more than five years have passed since the taxable event (December 1995, the date of the first provisional measure) without issuing any formal instrument, the right of the tax authorities to request the payment of additional taxes and the author-

ity to undertake legal action to obtain payment have been challenged.

In 2017, following the unfavorable decisions issued in previous rulings, Eletropaulo filed an appeal in defense of its rights and its actions with the *Superior Tribunal de Justiça* (STJ) and the *Supremo Tribunal Federal* (STF). The proceedings are still pending while the amounts subject to dispute have been covered by a bank guarantee.

With regard to the request of the Office of the Attorney General of the Brazilian National Treasury Department to replace the bank guarantee with a deposit in court, the court of second instance granted the petition. The company therefore replaced the bank guarantee with a cash deposit and filed a clarification motion against the related decision, which is currently awaiting a decision.

The overall amount involved in the dispute at December 31, 2023 was about €48 million.

FINSOCIAL – Eletropaulo

Following a final ruling issued by the Federal Regional Court on September 11, 2011, Eletropaulo was recognized the right to compensation for certain FINSOCIAL credits (social contributions) relating to sums paid from September 1989 to March 1992.

Despite the expiration of the relative statute of limitations, the Federal Tax Authority contested the determination of some credits and rejected the corresponding offsetting, issuing tax assessments that the company promptly challenged in the administrative courts, defending the legitimacy of its calculations and actions.

After an unfavorable ruling at first instance, the company filed an appeal before the administrative court of second instance.

The overall amount involved in the dispute at December 31, 2023 was about €48 million.

Tax litigation in Spain

Income tax – Enel Iberia, Endesa and subsidiaries

In 2018, the Spanish tax authorities completed a general audit involving the companies of the Group participating in the Spanish tax consolidation mechanism. This audit, which began in 2016, involved corporate income tax, value added tax and withholding taxes (mainly for the years 2011 to 2014). With reference to the main claims, the companies involved have challenged the related assessments at the first administrative level (*Tribunal Económico-Administrativo Central* – TEAC), defending the correctness of their actions.

On April 4, 2022, the TEAC rejected the appeal and the companies are continuing to defend their actions in court (*Audiencia Nacional*).

With regard to the disputes concerning corporate income tax, the issues for which an unfavorable outcome is considered possible amounted to about €134 million at December 31, 2023:

- i. Enel Iberia is defending the appropriateness of the criterion adopted for determining the deductibility of capital losses deriving from stock sales (around €88 million) and certain financial expense (around €15 million);
- ii. Endesa and its subsidiaries are mainly defending the appropriateness of the criteria adopted for the deductibility of certain financial expense (about €25 million) and costs for decommissioning nuclear power plants (about €6 million).

In 2021, the Spanish tax authorities completed a new general audit for the years 2015 to 2018. The companies involved have challenged the related assessments at the first administrative level (TEAC), defending the correctness of their actions.

With reference to the main claims concerning corporate tax and regarding the deductibility of certain financial expense, the dispute that could produce an adverse ruling amounts to about €226 million at December 31, 2023 (Enel Iberia €213 million; Endesa SA €13 million).

Income tax – Enel Green Power España SL

On June 7, 2017, the Spanish tax authorities issued a notice of assessment to Enel Green Power España SL, contesting the treatment of the merger of Enel Unión Fenosa Renovables SA (EUFER) into Enel Green Power España SL in 2011 as a tax neutral transaction, asserting that the transaction had no valid economic reason.

On July 6, 2017, the company appealed the assessment at the first administrative level (*Tribunal Económico-Administrativo Central* – TEAC), defending the appropriateness of the tax treatment applied to the merger. The company has provided the supporting documentation demonstrating the synergies achieved as a result of the merger in order to prove the existence of a valid economic reason for the transaction. On December 10, 2019, the TEAC denied the appeal and the company is continuing to defend its actions in court (*Audiencia Nacional*).

The overall amount involved in the dispute at December 31, 2023 was about €98 million.

58. Environmental programs

Some Group companies are affected by national or supranational environmental regulatory standards designed to develop the use of environmental protection mechanisms in accordance with the environmental policies of the European Union and global international agreements.

58.1 Terms and nature of environmental programs

The main environmental programs affecting Group companies are summarized in the following table in accordance with ESMA Public Statement of October 25, 2023 – Priority 1: Climate-related matters.

Program	Terms of the mechanism	Nature
EU ETS ⁽⁷⁸⁾	The scheme, which applies in all EU countries, sets an annual cap on emissions that is being progressively reduced to bring down the total emissions in Europe. The fourth trading period (2021-2030) has been tightened up as part of the EU's contribution to the Paris Climate Agreement. At the annual cap correspond a specific number of allowances (for each authorized industrial plant) that are granted, through participation in auctions or for free, by the competent local authority, freely transferable and traded between operators. The obliged companies shall surrender several allowances equivalent to their polluting emissions for each reporting period.	Mandatory by law “cap and trade” scheme. Within the Group, CO ₂ allowances are applicable to the thermal power generation companies operating in Italy and Spain. In those countries in which the Group is engaged in thermal power generation activity, European regulations have required that EU Allowances (EUAs) are assigned via auction, and they are not granted for free.
Energy efficiency certificates	The scheme has the objective to reduce the energy consumption by end-users through various measures developed in application of European Union Directives and by national laws. These marketable certificates are issued, over a period of several years, by the competent local authorities to companies that carry out directly or indirectly initiatives/projects to improve energy efficiency. At the end of the period, obliged companies are required to present certificates corresponding to their obligatory energy savings.	Mandatory by law. The Group currently holds energy efficiency certificates in Italy and Spain where the obliged companies are, respectively, electricity distribution and sale companies.
Guarantees of origin (GoOs)	This European scheme has the objective to encourage use of energy produced from renewable sources. These certificates are issued by the competent local authorities to renewable generation plants that meet specific standards. They are marketable and traded, also separately from the electricity to which they refer, during their term of validity until they are cancelled by the issuer at the request of the user of the certificates.	This mechanism currently affects the Group Italian and Spanish sale companies that have an obligation to surrender a certain volume of GoOs depending on the level of sales to customers.
Renewable Energy Certificates (RECs)	These certificates are granted in countries outside Europe to renewable energy generation companies to prove that consumed electricity has been generated in a renewable way. The functioning of this scheme is analogous to European GoOs.	This mechanism is voluntary and currently affects some Group companies in North and Latin America.

(78) European Emissions Trading System.

58.2 Accounting policies

For the purposes of accounting for charges arising from such regulatory requirements, the Group uses the “net liability approach”.

Under this accounting policy:

- any environmental certificates received free of charge and those self-produced as a result of Group’s operations that will be used for compliance purposes are recognized at nominal value (nil);
- charges incurred for obtaining (in the market or in some other transaction for consideration) any missing certificates to fulfil compliance requirements for the reporting period are recognized through profit or loss under other operating costs, as they represent “system charges” consequent to compliance with a regulatory requirement;
- if the number of environmental certificates available at the reporting date is not sufficient to fulfill the related obligation (a certificate “deficit”), a provision is accrued under “provisions for risks and charges”. Conversely, any “surplus” of certificates purchased at the reporting date is recognized in “inventories” in accordance with the general principles referred to in note 2.2 “Material accounting policies”.

Some types of environmental certificates accrue in proportion to:

- electricity generated by plants that use renewable resources (for example, guarantees of origin and renewable energy certificates);
- energy savings certified by the competent authority (energy efficiency certificates).

In these cases, the right to obtain such certificates can be

treated as a non-monetary government operating grant and, as such, the Group recognizes that right at fair value under “other non-current/current non-financial assets”. When the certificates are credited to the ownership account, they are reclassified from other assets to inventories.

The corresponding income is recognized under other operating profit.

For Group companies involved in trading activities, environmental certificates represent goods exchanged as part of their normal business activity and, as such, the purchased certificates are recognized under “services and other materials”.

Revenue from the sale of such certificates is recognized under “revenue”, with a corresponding decrease in inventories.

Contracts for the purchase or sale of environmental certificates settled at a future date (for example, forward contracts, etc.) that comply with the definition of derivative are recognized and measured in accordance with the “own use exemption”, at fair value through profit or loss, or with hedge accounting rules based on specific circumstances. For further details, please see note 51 “Derivatives and hedge accounting”.

58.3 Financial impact

Charges for environmental certificates

The following table reports system charges recognized by obligated Group companies in respect of the certificates necessary to meet compliance obligations for the year based on national and supranational regulations.

Millions of euro				
	2023	2022	Change	
Charges for environmental certificates				
System charges – Emissions allowances	2,038	2,216	(178)	-8.0%
System charges – Energy efficiency certificates	244	182	62	34.1%
System charges – Guarantees of origin	321	112	209	-
Total	2,603	2,510	93	3.7%

The increase in costs for environmental certificates compared with the previous year is mainly attributable to the increase in charges recognized for guarantees of origin by Enel Energia and the Endesa Group, which reflects the increase in the quantity of green energy sold to customers

and the prices of those certificates.

This effect was partially offset by a decrease in charges for emissions allowances, essentially in Italy, mainly connected with a decline in the quantity of electricity produced from fossil sources.

The following table reports the quantities of environmental certificates used by Group companies to meet compliance obligations under national and supranational regulations.

	2023	2022	2023	2022	2023	2022
	Emissions allowances (thousands of metric tons)		Guarantees of origin (GWh)		Energy efficiency certificates (TOE)	
Opening balance at January 1	34,494	28,350	20,565	11,417	416,174	257,940
Self-produced certificates	-	-	24,845	29,540	-	-
Purchases of certificates	34,699	32,925	28,362	20,316	925,187	678,808
Sales of certificates	(2,500)	-	(1,464)	-	-	-
Certificates delivered for compliance ⁽¹⁾	(35,456)	(26,781)	(53,075)	(40,708)	(863,526)	(520,574)
Closing balance at December 31	31,237	34,494	19,233	20,565	477,835	416,174

(1) Certificates delivered in 2023 and 2022 regard compliance for previous years, in line with the time limits envisaged in the applicable regulations.

Provisions for environmental certificates

Provisions for risks and charges for environmental certificates include charges in respect of the certificate shortfall

for fulfillment of compliance obligations for the year under national and supranational regulations.

Millions of euro		
	at Dec. 31, 2023	at Dec. 31, 2022
Provisions for risk and charges for environmental certificates – current portion		
Emissions allowances	33	209
Energy efficiency certificates	3	-
Guarantees of origin	214	83
Total	250	292

The reduction in provisions for risks and charges (€42 million) is attributable to the decline in the provision for emissions allowances recognized by the Endesa Group, partially offset by an increase in the provision for guarantees of

origin recognized by Enel Energia.

Changes in provisions for risks and charges for environmental certificates in 2023 are detailed below.

Millions of euro					
		Provisions	Uses	Other changes	
	at Dec. 31, 2022				at Dec. 31, 2023
Provisions for risk and charges for environmental certificates – current portion					
Emissions allowances	209	33	(209)	-	33
Energy efficiency certificates	-	2	-	1	3
Guarantees of origin	83	206	(104)	29	214
Total	292	241	(313)	30	250

Income from government grants for environmental certificates

The table reports non-monetary government grants for environmental certificates accrued during the year and certified by the competent authorities. They mainly regard guarantees of origin accrued in proportion to electricity

generated by renewable resource plants.

Monetary government grants for energy efficiency certificates are paid by the Electricity Sector Equalization Fund to e-distribuzione for energy efficiency certificates purchased in the year.

Millions of euro				
	2023	2022	Change	
Grants for environmental certificates				
Non-monetary grants – Guarantees of origin	111	48	63	-
Non-monetary grants – Other environmental certificates	4	1	3	-
Total non-monetary grants for environmental certificates	115	49	66	-
Monetary grants – Energy efficiency certificates	231	171	60	35.1%
TOTAL	346	220	126	57.3%

The increase of €126 million in grants for environmental certificates compared with the previous year mainly reflects:

- an increase in non-monetary grants for guarantees of origin registered in Spain (€44 million) and Italy (€19 million), due to an increase in prices and the quantity of energy generated from renewable resources;
- an increase in monetary grants for energy efficiency certificates (€60 million) recognized by e-distribuzione, due to an increase in the volume of certificates purchased in 2023 compared with the previous year.

Non-monetary grants to be received for environmental certificates

The following table reports environmental certificates accrued at the end of the year but not yet accredited by the competent authorities to the Group companies that produced them. They are recognized under other current non-financial assets and mainly regard guarantees of origin.

Millions of euro		
	at Dec. 31, 2023	at Dec. 31, 2022
Non-monetary grants to be received for environmental certificates		
Guarantees of origin	23	15
Other certificates	1	1
Total	24	16

The increase of €8 million is attributable to an increase in non-monetary grants to be received for guarantees of origin recorded in Italy and Spain.

Other items

With regard to the impacts of environmental certificates on the other items of the income statement and statement of financial position, please see:

- note 11.a "Revenue from sales and services" for revenue from the sale of environmental certificates;
- note 12.b "Services and other materials" for purchases of environmental certificates not used to meet the year's compliance obligation;
- note 33 "Inventories" for inventories of certificates not used to meet the year's compliance obligation.

59. Future accounting standards

The following provides a list of accounting standards, amendments and interpretations that will take effect for the Group after December 31, 2023.

- *“Amendments to IAS 1 – Classification of Liabilities as Current or Non-current”*, issued in January 2020. The amendments regard the provisions of IAS 1 concerning the presentation of liabilities. More specifically, the changes clarify:
 - the criteria to adopt in classifying a liability as current or non-current, specifying the meaning of right to defer settlement and that that right must exist at the end of the reporting period;
 - that the classification is unaffected by the intentions or expectations of management about the exercise of the right to defer settlement of a liability;
 - that the right to defer exists if and only if the entity satisfies the terms of the liability at the end of the reporting period, even if the creditor does not verify compliance with those terms until later; and
 - that settlement regards the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments take effect for annual periods beginning on or after January 1, 2024.⁽⁷⁹⁾

- *“Amendments to IAS 1 – Non-current Liabilities with Covenants”*, issued in October 2022. IAS 1 requires classification of liabilities as non-current only where an entity has a right to defer settlement in the 12 months following the reporting date. Nevertheless, the right to do so is often subject to compliance with covenants. The amendments of the standard improve disclosure when the right to defer settlement of a liability for at least 12 months is subject to compliance with covenants and specify that the classification of the liability as current or non-current at the reporting date is not affected by covenants that must be complied with subsequent to the reporting date.

The amendments take effect for annual periods beginning on or after January 1, 2024.

- *“Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”*, issued in September 2014. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the assets sold or contributed to an associate or joint venture constitute a “business” (as defined in IFRS 3). The IASB has deferred the effective date of these amendments indefinitely.

- *“Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback”*, issued in September 2022. The amendments require the seller-lessee to measure the right-of-use asset arising from a sale and leaseback transaction in proportion to the previous carrying amount of the asset involved in the arrangement and in line with the retained right-of-use. Consequently, the seller-lessee will be allowed to recognize only the amount of any capital gain or loss relating to the rights transferred to the buyer-lessor.

The amendments do not prescribe specific measurement requirements for liabilities deriving from a leaseback. However, they include examples that illustrate the initial and subsequent measurement of the liability by including variable payments that do not depend on an index or a rate. This representation is a departure from the general accounting model required by IFRS 16, in which variable payments that do not depend on an index or a rate are recognized through profit or loss in the period in which the event or condition that determines these payments occurs. In this regard, the seller-lessee will have to develop and apply an accounting policy to determine the lease payments such that any amount of retained right-of-use gain or loss is not recognized. The amendments take effect for annual periods beginning January 1, 2024. In conformity with “IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors”, retrospective application is permitted for sale and leaseback transactions entered into after the date of initial application of IFRS 16.

- *“Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability”*, issued in August 2023. The amendments require the application of a consistent approach in determining whether a currency is exchangeable for another and, when it is not, in determining the exchange rate to be used and the disclosure to be provided. The amendments will take effect, subject to endorsement, for annual periods beginning January 1, 2025 (earlier application is permitted).
- *“Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements”*, issued in May 2023.

The amendments clarify the characteristics of supplier finance arrangements and require additional disclosures concerning these agreements in order to assist users of the financial statements in understanding their related impacts on an entity’s liabilities, cash flows and exposure to liquidity risk.

The IASB granted a transitional exemption by requiring neither comparative information in the first year of ap-

(79) In 2020 an amendment was issued to postpone the date of entry into force from January 1, 2023 to January 1, 2024.

plication nor disclosure of specific opening balances. Furthermore, the information requested is applicable only for the first year of application. Accordingly, considering that the amendments will take effect, subject to endorsement, for annual reporting periods begin-

ning on or after January 1, 2024, the new disclosures must be provided no earlier than the annual financial report at December 31, 2024.

The Group is assessing the potential impact of the future application of the new provisions.

60. Events after the reporting period

Finalized the agreement to sell a geothermal and solar portfolio in the United States to Ormat

On January 4, 2024, Enel SpA, acting through its wholly-owned subsidiary Enel Green Power North America Inc. (EGPNA), closed an agreement with Ormat Technologies Inc. on the sale of a renewable asset portfolio in the United States for a total of \$271 million, equivalent to €250 million, subject to customary transactional adjustments. The assets sold include EGPNA's entire geothermal portfolio as well as a number of small solar plants, with a total capacity of about 150 MW of operating plants.

The overall transaction, which was closed following the fulfillment of a number of conditions, had a positive effect on the Enel Group's consolidated net debt of about €250 million, and a negative impact of around €30 million on Group profit, which had already been recognized in 2023 as impairment losses in compliance with IFRS 5.

Enel issues a dual-tranche €1.75 billion sustainability-linked bond in the Eurobond market

On January 16, 2024, Enel Finance International NV, a finance company controlled by Enel SpA, issued a dual-tranche sustainability-linked bond for institutional investors in the Eurobond market in the total amount of €1.75 billion.

The new issue envisages the use of two sustainability Key Performance Indicators for each tranche, illustrated in the Sustainability-Linked Financing Framework, last updated in January 2024.

The issue is structured in the following two tranches:

- €750 million at a fixed rate of 3.375%, with settlement date set on January 23, 2024, maturing July 23, 2028;
- €1,000 million at a fixed rate of 3.875%, with settlement date set on January 23, 2024, maturing January 23, 2035.

Enel issues a new €900 million perpetual hybrid bond with coupon at 4.75%

On February 20, 2024, Enel SpA issued a non-convertible, subordinated perpetual hybrid bond for institutional investors on the European market, denominated in euros, with an aggregate principal amount of €900 million.

The transaction refinanced the €900 million equity-accounted perpetual hybrid bond with first call date in February 2025 and a 3.5% coupon.

The bond has no fixed maturity, and is due and payable

only in the event of the winding up or liquidation of the Company. An annual fixed coupon of 4.75% will be paid until (but excluding) the first reset date of May 27, 2029, which is the last day for the first optional redemption.

Partnership with Sosteneo to develop battery and open-cycle plant projects in Italy

On March 1, 2024, Enel SpA, acting through its subsidiary Enel Italia SpA, signed an agreement with Sosteneo Fund 1 HoldCo Sàrl, for the acquisition by the latter of 49% of the share capital of Enel Libra Flexsys Srl, a company wholly-owned by Enel Italia and established for the implementation and operation of a portfolio of Battery Energy Storage Systems (BESS) and open-cycle gas turbines (OCGT). The agreement provides for payment by Sosteneo HoldCo of approximately €1.1 billion. The price is also subject to an adjustment mechanism customary for this type of transaction. The enterprise value on a 100% basis of Enel Libra Flexsys recognized in the agreement is equal to around €2.5 billion once the investment cycle foreseen by the project is completed.

The transaction is expected to generate upon closing a positive impact of about €1.1 billion on the Enel Group's consolidated net debt, while it is set to bear no impact on the Group's performance, as Enel will continue to maintain control and fully consolidate Enel Libra Flexsys upon the closing of the transaction.

Agreement with A2A on electricity distribution operations in a number of municipalities in Lombardy

On March 9, 2024, the Enel subsidiary e-distribuzione SpA signed an agreement with A2A SpA for the sale to the latter of 90% of the capital of a newly incorporated vehicle to which electricity distribution operations in a number of municipalities of the provinces of Milan and Brescia will be transferred.

The agreement provides for A2A to pay about €1.2 billion, based on an enterprise value (for 100% of the company) of around €1.35 billion. The price, which will be paid at closing, is subject to an adjustment mechanism customary for these kinds of transactions.

Upon completion of the transaction, e-distribuzione will retain a 10% stake in NewCo's capital to support the start-up phase of the company, and which will be subject to a put and call option mechanism that can be triggered starting from the first year from completion of the transaction.

Furthermore, specific agreements between the parties provide for e-distribuzione to guarantee supporting activities to ensure continuity of service.

The transaction is expected to generate a positive effect on the Enel Group's consolidated net debt in 2024 of about €1.2 billion and a positive impact on Group reported profit for 2024 of about €1 billion. If, before the closing of the transaction, a precise specification of further activities that e-distribuzione may carry out for NewCo is reached and such activities are reflected in specific agreements, thereby forming an industrial Stewardship relationship, the aforementioned performance effects could also be recognized on the Group's ordinary results.

The closing of the transaction, which is expected to occur by December 31, 2024, is subject to a number of conditions, including receipt of antitrust clearance, the suc-

cessful completion of the golden power procedure by the Presidency of Italy's Council of Ministers and receipt of authorization to transfer the electricity distribution service concessions to NewCo.

61. Fees of the Audit Firm pursuant to Article 149-duodecies of the CONSOB Issuers Regulation

Fees pertaining to 2023 paid by Enel SpA and its subsidiaries at December 31, 2023 to the Audit Firm and entities belonging to its network for services are summarized in the following table, pursuant to the provisions of Article 149-duodecies of the CONSOB Issuers Regulation.

Millions of euro		
Type of service	Entity providing the service	Fees
Enel SpA		
Auditing	of which:	
	- KPMG SpA	0.9
	- entities of the KPMG network	-
Certification services	of which:	
	- KPMG SpA	1.8
	- entities of the KPMG network	-
Other services	of which:	
	- KPMG SpA	-
	- entities of the KPMG network	-
Total		2.7
Enel SpA subsidiaries		
Auditing	of which:	
	- KPMG SpA	4.6
	- entities of the KPMG network	9.5
Certification services	of which:	
	- KPMG SpA	1.3
	- entities of the KPMG network	1.2
Other services	of which:	
	- KPMG SpA	-
	- entities of the KPMG network	-
Total		16.6
TOTAL		19.3

Declaration of the Chief Executive Officer and the officer in charge of financial reporting of the Enel Group at December 31, 2023, pursuant to the provisions of Article 154-bis, paragraph 5, of Legislative Decree 58 of February 24, 1998 and Article 81-ter of CONSOB Regulation no. 11971 of May 14, 1999

1. The undersigned Flavio Cattaneo and Stefano De Angelis, in their respective capacities as Chief Executive Officer and officer in charge of financial reporting of Enel SpA, hereby certify, taking account of the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of February 24, 1998:
 - a. the appropriateness with respect to the characteristics of the Enel Group and
 - b. the effective adoption of the administrative and accounting procedures for the preparation of the consolidated financial statements of the Enel Group in the period between January 1, 2023 and December 31, 2023.
2. In this regard, we report that:
 - a. the appropriateness of the administrative and accounting procedures used in the preparation of the consolidated financial statements of the Enel Group has been verified in an assessment of the internal control system for financial reporting. The assessment was carried out on the basis of the guidelines set out in the "Internal Controls - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
 - b. the assessment of the internal control system for financial reporting did not identify any material issues.
3. In addition, we certify that the consolidated financial statements of the Enel Group at December 31, 2023:
 - a. have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
 - b. correspond to the information in the books and other accounting records;
 - c. provide a true and fair representation of the financial position, financial performance and cash flows of the issuer and the companies included in the consolidation scope.
4. Finally, we certify that the Report on Operations, accompanied by the consolidated financial statements of the Enel Group at December 31, 2023, contains a reliable analysis of operations and performance, as well as the situation of the issuer and the companies included in the consolidation scope, together with a description of the main risks and uncertainties to which they are exposed.

Rome, March 21, 2024

Flavio Cattaneo
Chief Executive Officer of Enel SpA

Stefano De Angelis
Officer in charge of financial
reporting of Enel SpA

REPORTS

Report of the Board of Statutory Auditors

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING
OF ENEL SpA CALLED TO APPROVE THE FINANCIAL STATEMENTS FOR 2023
(pursuant to Article 153 of Legislative Decree 58/1998)

Shareholders,

The current Board of Statutory Auditors of Enel SpA (hereinafter also "Enel" or the "Company") was appointed by the Shareholders' Meeting of May 19, 2022.

During the year ended December 31, 2023 we performed the oversight activities envisaged by law. In particular, pursuant to the provisions of Article 149, paragraph 1, of Legislative Decree 58 of February 24, 1998 (hereinafter the "Consolidated Law on Financial Intermediation") and Article 19, paragraph 1 of Legislative Decree 39 of January 27, 2010 (hereinafter "Decree 39/2010"), we monitored:

- compliance with the law and the corporate bylaws as well as compliance with the principles of sound administration in the performance of the Company's business;
- the Company's financial reporting process and the adequacy of the administrative and accounting system, as well as the reliability of the latter in representing operational events;
- the statutory audit of the annual statutory and consolidated accounts and the independence of the audit firm;
- the adequacy and effectiveness of the internal control and risk management system;
- the adequacy of the organizational structure of the Company, within the scope of our responsibilities;
- the implementation of the corporate governance rules as provided for by the 2020 edition of the Italian Corporate Governance Code (hereinafter, the "Corporate Governance Code"), which the Company has adopted;
- the appropriateness of the instructions given by the Company to its subsidiaries to enable Enel to meet statutory public disclosure requirements.

In performing our checks and assessments of the above issues, we did not find any issues that would merit reporting here.

In compliance with the instructions issued by CONSOB with Communication no. DEM/1025564 of April 6, 2001, as amended, we report the following:

- we monitored compliance with the law and the bylaws and we have no issues to report;

- on a quarterly basis, we received adequate information from the Chief Executive Officer, as well as through our participation in the meetings of the Board of Directors of Enel, on activities performed, general developments in operations and the outlook, and on transactions with the most significant impact on performance or the financial position carried out by the Company and its subsidiaries. The actions approved and implemented appeared to be in compliance with the law and the bylaws and were not manifestly imprudent, risky, in potential conflict of interest or in contrast with the resolutions of the Shareholders' Meeting or otherwise prejudicial to the integrity of the Company's assets. For a discussion of the features of the most significant transactions, please see the report on operations accompanying the separate financial statements of the Company and the consolidated financial statements of the Enel Group for 2023 (in the section "Significant events in 2023");
- we did not find any atypical or unusual transactions conducted with third parties, Group companies or other related parties;
- in the section "Related parties" of the notes to the separate financial statements for 2023 of the Company, the directors describe the main transactions with related-parties – the latter being identified on the basis of international accounting standards and the instructions of CONSOB – carried out by the Company, to which readers may refer for details on the transactions and their financial impact. They also detail the procedures adopted to ensure that related-party transactions are carried out in accordance with the principles of transparency and procedural and substantive fairness. On the basis of our oversight activities, we found that the transactions were carried out in compliance with the approval and execution processes set out in the related procedure – adopted in compliance with the provisions of Article 2391-*bis* of the Italian Civil Code and the implementing regulations issued by CONSOB – described in the report on corporate governance and ownership structure for 2023. All transactions with related parties reported in the notes to the separate financial statements for 2023 of the Company were executed as part of ordinary operations in the interest of the Company and settled on market terms and conditions;
- the Company declares that it has prepared its separate financial statements for 2023 on the basis of international accounting standards (IAS/IFRS) – and the interpretations issued by the IFRIC and the SIC – endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 and in force at the close of 2023 (hereinafter also the "IFRS-EU"), as well as the provisions of Legislative Decree 38 of February 28, 2005 and its related implementing measures, as it did the previous year.

The Company's separate financial statements for 2023 have been prepared on a going-concern basis. The notes to the separate financial statements give detailed information on the accounting standards and measurement criteria adopted, accompanied by an indication of the standards applied for the first time in 2023, which as indicated in the notes did not have a significant impact in the year under review;

- the separate financial statements for 2023 of the Company underwent the statutory audit by the audit firm, KPMG SpA, which issued an unqualified opinion, including with regard to the consistency of the report on operations and certain information in the report on corporate governance and ownership structure of the Company with the financial statements, as well as compliance with the provisions of law, pursuant to Article 14 of Decree 39/2010 and Article 10 of Regulation (EU) no. 537/2014. The report of KPMG SpA also includes the declaration provided pursuant to Article 14, paragraph 2(e) of Decree 39/2010 stating that the audit firm did not identify any significant errors in the contents of the report on operations;
- the Company declares that it has also prepared the consolidated financial statements of the Enel Group for 2023 on the basis of international accounting standards (IFRS-EU) and the provisions of Legislative Decree 38 of February 28, 2005 and its related implementing measures. The 2023 consolidated financial statements of the Enel Group are also prepared on a going-concern basis. The notes to the consolidated financial statements provide a detailed discussion of the accounting standards and measurement criteria adopted, accompanied by an indication of standards applied for the first time in 2023, which did not have a significant impact in the year under review. Note also that, starting from 2021, in compliance with the provisions of Delegated Regulation (EU) 2019/815 of December 17, 2018 as amended (the "ESEF Regulation"), the Company has (i) drawn up its entire Annual Financial Report (including the separate financial statements and the consolidated financial statements, the respective reports on operations and the associated certifications pursuant to Article 154-*bis*, paragraph 5, of the Consolidated Law on Financial Intermediation) in the single electronic reporting format XHTML (Extensible Hypertext Markup Language), and (ii) marked up (with specific tags) the schedules of the consolidated financial statements and the related explanatory notes using the iXBRL markup language (Inline eXtensible Business Reporting Language), in accordance with the ESEF taxonomy issued annually by ESMA, in order to facilitate the accessibility, analysis and comparability of the annual financial reports;

- the consolidated financial statements for 2023 of the Enel Group underwent statutory audit by the audit firm KPMG SpA, which issued an unqualified opinion, including with regard to the consistency of the consistency of the report on operations and certain information in the report on corporate governance and ownership structure with the consolidated financial statements, as well as compliance with the provisions of law, pursuant to Article 14 of Decree 39/2010 and Article 10 of Regulation (EU) no. 537/2014. The report of KPMG SpA also includes:
 - a discussion of key aspects of the audit report on the consolidated financial statements; and
 - the declaration provided pursuant to Article 14, paragraph 2(e) of Decree 39/2010 and Article 4 of CONSOB Regulation no. 20267 (implementing Legislative Decree 254 of December 30, 2016) concerning, respectively, a statement that the audit firm did not identify any significant errors in the contents of the report on operations and that it verified that the Board of Directors had approved the consolidated non-financial statement.

Under the terms of its engagement, KPMG SpA also issued unqualified opinions on the financial statements for 2023 of the most significant Italian companies of the Enel Group. Moreover, during periodic meetings with the representatives of the audit firm, KPMG SpA, the latter did not raise any issues concerning the reporting packages of the main foreign companies of the Enel Group, selected by the auditors on the basis of the work plan established for the auditing of the consolidated financial statements of the Enel Group, that would have a sufficiently material impact to be reported in the opinion on those financial statements;

- taking due account of the recommendations of the European Securities and Markets Authority issued on January 21, 2013, and most recently supplemented with the Public Statement of October 25, 2023, to ensure appropriate transparency concerning the methods used by listed companies in testing goodwill for impairment, in line with the recommendations contained in the joint Bank of Italy – CONSOB – ISVAP document no. 4 of March 3, 2010, and in the light of indications of CONSOB in its Communication no. 7780 of January 28, 2016, the compliance of the impairment testing procedure with the provisions of IAS 36 was expressly approved by the Board of Directors of the Company, having obtained a favorable opinion in this regard from the Control and Risk Committee in February 2024, i.e. prior to the date of approval of the financial statements for 2023;

- we examined the Board of Directors' proposal for the allocation of net profit for 2023 and the distribution of available reserves and have no comments in this regard;
- we note that the Board of Directors of the Company certified, following appropriate checks by the Control and Risk Committee and the Board of Statutory Auditors in March 2024, that as at the date on which the 2023 financial statements were approved, the Enel Group continued to meet the conditions established by CONSOB (set out in Article 15 of the Market Rules, approved with Resolution no. 20249 of December 28, 2017) concerning the accounting transparency and adequacy of the organizational structures and internal control systems that subsidiaries established and regulated under the law of non-EU countries must comply with so that Enel shares can continue to be listed on regulated markets in Italy;
- we monitored, pursuant to the aforementioned Article 15 of the Market Rules, the capacity of the administrative-accounting systems of the subsidiaries referred to in the previous bullet point to regularly send management and the audit firm KPMG SpA the performance and financial data necessary for the preparation of the consolidated financial statements of the Enel Group, finding no adverse issues;
- we monitored, within the scope of our responsibilities, the adequacy of the organizational structure of the Company (and the Enel Group as a whole), obtaining information from the competent department heads and in meetings with the boards of auditors or equivalent bodies of a number of the main Enel Group companies in Italy and abroad, for the purpose of the reciprocal exchange of material information. Taking account of the changes in its organizational arrangements, implemented most recently in 2023 and the early months of 2024, the Enel Group, consistent with the vision of the newly appointed top management, has adopted a matrix-based organizational structure, structured into:
 - (i) four global Divisions, which are charged with developing, building, operating and maintaining assets, conducting trading activities and developing and managing the portfolio of products and services in the various geographical areas in which the Group operates. The four global Divisions are divided into: Enel Green Power and Thermal Generation, Global Energy and Commodity Management & Chief Pricing Officer, Enel Grids and Innovability and Enel X Global Retail;
 - (ii) two Countries (Italy and Iberia) and a Region (Rest of the World), which, in each geographical area in which the Group operates, is charged with:

- achieving economic-financial results, optimizing the balance between customers and generation and ensuring long-term value maximization, as well as the adoption of the highest safety and environmental standards;
 - managing relationships with institutions, regulators, media and other stakeholders;
 - performing staff and service activities in support of the business lines present at country level, maximizing efficiency and quality;
 - managing the integration between the business lines present in their geographical area;
 - managing stewardship relationships, coordinating with all the competent structures involved;
- (iii) a global service function (Global Services), which is charged with the (i) integrated management of all Group activities connected with the development and governance of digital solutions, purchasing and strategy, customer processes and management models, as well as insourcing processes and (ii) managing the real estate portfolio, maximizing its value, and the related general services;
- (iv) six Holding Company Staff Functions, which are charged with the strategic direction, coordination and control activities of the entire Group, broken down as follows: Administration, Finance and Control, Personnel and Organization, External Relations, Legal, Corporate, Regulatory and Antitrust Affairs, Audit and Security;
- (v) a CEO Office and Strategy, which is charged with providing support to the CEO in defining and directing the Group's strategic decisions and defining the medium-long term strategic positioning for the entire Group, developing strategic scenarios that also consider the effects of climate change.

We found no issues concerning the adequacy of the organizational system described above in supporting the strategic development of the Company and the Enel Group or the consistency of that system with control requirements;

- we met with the boards of auditors or equivalent bodies of a number of the Group's main companies in Italy and abroad. No material issues emerged from the exchange of information that would require mention here;
- we monitored the independence of the audit firm, having received today from KPMG specific written confirmation that they met that requirement (pursuant to the

provisions of Article 6, paragraph 2(a), of Regulation (EU) 537/2014) and paragraph 17 of international standard on auditing (ISA Italia) 260 and having discussed the substance of that declaration with the audit partner. In this regard, we also monitored – as provided for under Article 19, paragraph 1(e), of Decree 39/2010 – the nature and the scale of non-audit services provided to the Company and other Enel Group companies by KPMG SpA and the entities belonging to its network. The fees due to KPMG SpA and the entities belonging to its network are reported in the notes to the separate financial statements of the Company. Following our examinations, the Board of Statutory Auditors found no critical issues concerning the independence of KPMG SpA.

We held periodic meetings with the representatives of the audit firm, pursuant to Article 150, paragraph 3, of the Consolidated Law on Financial Intermediation, and no material issues emerged that would require mention in this report.

With specific regard to the provisions of Article 11 of Regulation (EU) 537/2014, KPMG SpA today provided the Board of Statutory Auditors with the “additional report” for 2023 on the results of the statutory audit carried out, which indicates no significant difficulties encountered during the audit or any significant shortcomings in the internal control system for financial reporting or the Enel accounting system that would raise issues requiring mention in the opinion on the separate and consolidated financial statements. The Board of Statutory Auditors will transmit that report to the Board of Directors promptly, accompanied by any comments it may have, in accordance with Article 19, paragraph 1(a), of Decree 39/2010.

As at the date of this report, the audit firm also reported that it did not prepare any management letter for 2023;

- we monitored the financial reporting process, the appropriateness of the administrative and accounting system and its reliability in representing operational events, as well as compliance with the principles of sound administration in the performance of the Company’s business and we have no comments in that regard. We conducted our checks by obtaining information from the head of the Administration, Finance and Control department (taking due account of the head’s role as the officer responsible for the preparation of the Company’s financial reports), examining Company documentation and analyzing the findings of the examinations performed by KPMG SpA. The Chief Executive Officer and the officer responsible for the preparation of the financial reports of Enel issued a statement (regarding the Company’s 2023 separate financial statements) certifying (i) the appropriateness with

respect to the characteristics of the Company and the effective adoption of the administrative and accounting procedures used in the preparation of the financial statements; (ii) the compliance of the content of the financial reports with international accounting standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002; (iii) the correspondence of the financial statements with the information in the books and other accounting records and their ability to provide a true and fair representation of the performance and financial position of the Company; and (iv) that the report on operations accompanying the financial statements contains a reliable analysis of operations and performance, as well as the situation of the issuer, together with a description of the main risks and uncertainties to which it is exposed. The statement also affirmed that the appropriateness of the administrative and accounting procedures used in the preparation of the separate financial statements of the Company had been verified in an assessment of the internal control system for financial reporting (supported by the findings of the independent testing performed by a qualified external advisor) and that the assessment of the internal control system did not identify any material issues. An analogous statement was prepared for the consolidated financial statements for 2023 of the Enel Group;

- we monitored the adequacy and effectiveness of the internal control system, primarily through systematic participation of the head of the Audit department of the Company in the meetings of the Board of Statutory Auditors and holding about half of the meetings jointly with the Control and Risk Committee, as well as through periodic meetings with the body charged with overseeing the operation of and compliance with the organizational and management model adopted by the Company pursuant to Legislative Decree 231/2001. In the light of our examination and in the absence of significant issues, there are no reasons to doubt the adequacy and effectiveness of the internal control and risk management system. In February 2024, the Board of Directors of the Company expressed an analogous assessment of the situation and also noted, in November 2023, that the main risks associated with the strategic targets set out in the 2024-2026 Business Plan were compatible with the management of the Company in a manner consistent with those targets;
- in 2023 no petitions were received by the Board of Auditors nor did we receive any complaints concerning circumstances deemed censurable pursuant to Article 2408 of the Italian Civil Code;

- we monitored the effective implementation of the Corporate Governance Code, verifying the compliance of Enel's corporate governance arrangements with the recommendations of the Code. Detailed information on the Company's corporate governance system can be found in the report on corporate governance and ownership structure for 2023.

In June 2023, the Board of Statutory Auditors verified that the Board of Directors – following its election by the Shareholders' Meeting of May 10, 2023 - in evaluating the independence of non-executive directors, correctly applied the assessment criteria specified in the Corporate Governance Code and the principle of the priority of substance over form that must inform the application of the Code's recommendations in general, adopting a transparent procedure, the details of which are discussed in the report on corporate governance and ownership structure for 2023.

With regard to the so-called "self-assessment" of the independence of its members, the Board of Statutory Auditors, in March 2023 ascertained that all standing statutory auditors met the relevant requirements set out in the Consolidated Law on Financial Intermediation and in the Corporate Governance Code.

- in the final part of 2023 and during the first two months of 2024, the Board of Statutory Auditors, with the support of an independent advisory firm, conducted a board review assessing the size, composition and functioning of the Board of Statutory Auditors, as has been done since 2018, similar to the review conducted for the Board of Directors since 2004. This is a best practice that the Board of Statutory Auditors intended to adopt even in the absence of a specific recommendation of the Corporate Governance Code, a "peer-to-peer review" approach, i.e. the assessment not only of the functioning of the body as a whole, but also of the style and content of the contribution provided by each of the auditors. The approach adopted in performing the board review for 2023 and the findings of that review are described in detail in the report on corporate governance and ownership structure for 2023.
- during 2023, the Board of Statutory Auditors also participated in an induction program, characterized by specific studies to update directors and statutory auditors on the corporate governance of the Company and the Enel Group, the structure and operation of the electrical system in general and the activities of the four global Divisions (Enel Green Power and Thermal Generation, Enel Grids, Global Energy and Commodity Management & Chief Pricing Officer, Enel X Global Retail) and the "People and Organization" Holding Company Function;

- we monitored the application of the provisions of Legislative Decree 254 of December 30, 2016 (hereinafter "Decree 254") concerning the disclosure of non-financial and diversity information by certain large undertakings and groups. In performing that activity, we monitored the adequacy of the organizational, administrative, reporting and control system established by the Company in order to enable the accurate representation in the consolidated non-financial statements for 2023 of the activity of the Enel Group, its results and its impacts in the non-financial areas referred to in Article 3, paragraph 1, of Decree 254, and have no comments in this regard. The audit firm, KPMG SpA, has issued, pursuant to Article 3, paragraph 10, of Decree 254 and Article 5 of CONSOB Regulation no. 20267 of January 18, 2018, its certification of the conformity of the information provided in the consolidated non-financial statement with the requirements of applicable law;
- since the listing of its shares, the Company has adopted specific rules (most recently amended in September 2018) for the internal management and processing of confidential information, which also set out the procedures for the disclosure of documentation and information concerning the Company and the Group, with specific regard to inside information. Those rules (which can be consulted on the corporate website) contain appropriate provisions directed at subsidiaries to enable Enel to comply with statutory public disclosure requirements, pursuant to Article 114, paragraph 2, of the Consolidated Law on Financial Intermediation;
- in 2002 the Company also adopted (and has subsequently updated, most recently in February 2021) a Code of Ethics (also available on the corporate website) that expresses the commitments and ethical responsibilities involved in the conduct of business, regulating and harmonizing corporate conduct in accordance with standards of maximum transparency and fairness with respect to all stakeholders;
- with regard to the provisions of Legislative Decree 231 of June 8, 2001 – which introduced into Italian law a system of administrative liability for companies for certain types of offences committed by its directors, managers or employees on behalf of or to the benefit of the company – since July 2002 Enel has adopted a compliance program consisting of a "general part" and various "special parts" concerning the difference offences specified by Legislative Decree 231/2001 that the program is intended to prevent. For a description of the manner in which the model has been adapted to the characteristics of the various Italian companies of the Group, as well as a description of the purposes of the "Enel Global Compliance Program" for the Group's foreign companies, please see the report on corporate governance and

ownership structure for 2023. The structure that monitors the operation and compliance with the program and is responsible for updating it is a collegial body. This body, whose current members were appointed in July 2023, is still composed of three external members who jointly have specific professional expertise on corporate organization matters and corporate criminal law. The Board of Statutory Auditors received adequate information on the main activities carried out in 2023 by that body, including in meetings with its members. Our examination of those activities found no facts or situations that would require mention in this report;

- in 2023, the Board of Statutory Auditors issued the following opinions:
 - a favorable opinion (at the meeting of February 8, 2023) on the 2023 Audit Plan, in accordance with the provisions of Recommendation 33, letter c) of the Corporate Governance Code;
 - a favorable opinion (at the meeting of June 12, 2023) on the appointment of the new officer in charge of financial reporting of Enel, in accordance with the provisions of Article 154-*bis*, paragraph 1, of the Consolidated Law on Financial Intermediation and Article 20.5 of the Company's articles of association;
 - a favorable opinion (at the meeting of July 5, 2023), pursuant to Article 2389, paragraph 3, of the Italian Civil Code, on the remuneration to be paid to the members of the various committees established within the Board of Directors, following the election of the latter by the Shareholders' Meeting of May 10, 2023, taking account of the provisions in this regard of Enel's remuneration policy for 2023, approved with a binding vote by the Shareholders' Meeting itself;
 - a favorable opinion (at the meeting of July 5, 2023) on the attendance fee to be paid to the Magistrate of the State Audit Court delegated to control Enel's financial management for participation in the meetings of the corporate bodies;
 - a favorable opinion (at the meeting of September 20, 2023), pursuant to Article 2389, paragraph 3, of the Italian Civil Code, on the decisions concerning the remuneration and other terms and conditions of employment of top management appointed following the election of the Board of Directors by the Shareholders' Meeting of May 10, 2023, taking account of the provisions in this regard of Enel's remuneration policy for 2023, approved with a binding vote by the Shareholders' Meeting itself;
- a report on the fixed and variable compensation accrued by those who served as Chairman of the Board of Directors, the Chief Executive Officer/General Manager and other directors in 2023 for their respective positions and any compensation

instruments awarded to them is contained in the second section of the Report on Remuneration Policy for 2024 and Remuneration Paid in 2023 referred to in Article 123-ter of the Consolidated Law on Financial Intermediation (for the sake of brevity, "Remuneration Report" hereinafter), approved by the Board of Directors, acting on a proposal of the Nomination and Compensation Committee on April 11, 2024, which will be published in compliance with the time limits established by law. The design of these remuneration instruments is in line with best practices as it complies with the principle of establishing a link with appropriate financial and non-financial performance targets and pursuing the creation of shareholder value over the medium and long term. The proposals to the Board of Directors concerning such forms of compensation and the determination of the associated parameters were prepared by the Nomination and Compensation Committee, which is made up entirely of independent directors, drawing on the findings of benchmark analyses, including at the international level, conducted by an independent consulting firm (the "advisor"). In addition, the second section of the Remuneration Report contains, in compliance with the applicable CONSOB regulations, specific disclosures on the remuneration received in 2023 by the members of the oversight body and by key management personnel (in aggregate form for the latter).

The Board of Statutory Auditors also supervised the process of preparing the remuneration policy for 2024 – described in full in the first section of the Remuneration Report, without finding any critical issues. In particular, oversight activity examined the consistency of the various measures envisaged by that policy with (i) the provisions of Directive (EU) 2017/828 as transposed into Italian law, with (ii) the recommendations of the Italian Corporate Governance Code, as well as with (iii) the results of the benchmark analysis carried out, including at the international level, by an independent consulting firm that the Nomination and Compensation Committee elected to engage.

In addition, during the preparation of the remuneration policy for 2024, the Board of Statutory Auditors - taking account of the recommendations in this regard by the Corporate Governance Code – asked the independent consulting firm to conduct an additional benchmark analysis to ascertain the adequacy of the remuneration paid to the members of the oversight body. This analysis was performed by the advisor with reference to two benchmarks:

- as a benchmark external to Enel, the remuneration of the boards of statutory auditors reported in the documentation published on the occasion of 2023

shareholders' meetings by issuers belonging to a peer group composed of companies belonging the FTSE MIB index ⁽¹⁾ with a similarly complex business and similar market size and ownership structure to Enel.

- as a benchmark internal to Enel, the remuneration paid to the members of the Board of Directors of Enel (excluding the Chairman and the Chief Executive Officer) in proportion to the number of meetings held.

As regards the external benchmark, the advisor first noted that, on the basis of the data as at December 31, 2022, Enel lies at the extreme upper bound of the size class compared with the peer group, as it significantly exceeds the ninth decile in terms of capitalization and turnover and is between the third quartile and ninth decile in terms of number of employees. At the same time, the analysis found that, compared with the peer group, the remuneration of the members of the Enel Board of Statutory Auditors was instead at the benchmark median for the Chairman and slightly above the median for the other standing Auditors.

As regards the internal benchmark, the advisor conducted a comparison between the average remuneration per meeting paid to the members of the Board of Statutory Auditors and that paid to the members of the Board of Directors of the Company (excluding the Chairman and the Chief Executive Officer), taking into account all meetings in which they respectively participate. This analysis found a significant disparity between the remuneration of the members of the two bodies. The average remuneration per meeting of the directors is more than three times greater than that of the Chairman of the Board of Statutory Auditors and nearly four times that of the other standing members of the Board of Statutory Auditors.

The Board of Statutory Auditors' oversight activity in 2023 was carried out in 24 meetings and with participation in the 15 meetings of the Board of Directors and participation in the annual Shareholders' Meeting, and, through the chairman or one or more of its members, in the 14 meetings of the Control and Risk Committee (held jointly with the Board of Statutory Auditors), in the 14 meetings of the Nomination and Compensation Committee, in the 6 meetings of the Related Parties Committee and in the 7 meetings of the Corporate Governance and Sustainability Committee. The delegated magistrate of the

⁽¹⁾ The peer group consists of the following 18 companies: A2A, Assicurazioni Generali, Banco BPM, BPER Banca, Eni, Hera, Italgas Leonardo, Mediobanca, Nexi, Pirelli, Poste Italiane, Prysmian, Saipem, Snam, Telecom Italia, Terna and Unicredit.

State Audit Court participated in the meetings of the Board of Statutory Auditors and those of the Board of Directors.

During the course of this activity and on the basis of information obtained from KPMG SpA, no omissions, censurable facts, irregularities or other significant developments were found that would require reporting to the regulatory authorities or mention in this report.

Based on the oversight activity performed and the information exchanged with the independent auditors KPMG SpA, we recommend that you approve the Company's financial statements for the year ended December 31, 2023 in conformity with the proposals of the Board of Directors.

Rome, April 19, 2024

The Board of Auditors

Barbara Tadolini – Chairman

Luigi Borré – Auditor

Maura Campra – Auditor

Report of the Audit Firm



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
Enel S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Enel Group (the "group"), which comprise the statement of financial position as at 31 December 2023, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Enel Group as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of Enel S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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Enel Group

Independent auditors' report

31 December 2023

Recognition of revenue from the supply of electricity and gas not yet invoiced

Notes to the consolidated financial statements: notes 2.1 "Use of estimates and management judgement – Revenue from contracts with customers", 2.2 "Material accounting policies – Revenue from contracts with customers", 11.a "Revenue from sales and services" and 34 "Trade receivables"

Key audit matter	Audit procedures addressing the key audit matter
<p>Revenue from the supply of electricity and gas to end users is recognised at the time the electricity or gas is delivered and includes, in addition to amounts invoiced on the basis of periodic meter readings or on the volumes notified by distributors and transporters, an estimate of the electricity and gas delivered during the year but not yet invoiced that is calculated also taking account of any network losses. Revenue accrued between the date of the last meter reading and the year-end is based on estimates of the consumption of individual customers, primarily determined on their historical information, adjusted to reflect the climate factors or other matters that may affect the estimated consumption.</p> <p>These estimates are very complex given the nature of underlying assumptions.</p> <p>Therefore, we believe that the recognition of revenue from the supply of electricity and gas not yet invoiced is a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • understanding the process for the recognition of revenue from the supply of electricity and gas not yet invoiced; • assessing the design, implementation and operating effectiveness of controls, including IT controls, deemed material for the purposes of our audit, including by involving our IT specialists; • performing substantive procedures on the electricity and gas volumes considered in the estimation; • checking the accuracy of the selling prices used in the estimation; • comparing the estimates recognised in the consolidated financial statements with the subsequent actual figures; • assessing the appropriateness of the disclosures provided in the notes about the revenue from the supply of electricity and gas not yet invoiced.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

**Enel Group***Independent auditors' report*

31 December 2023

guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in this report.



Enel Group

Independent auditors' report

31 December 2023

Other information required by article 10 of Regulation (EU) no. 537/14

On 16 May 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2023 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2023 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion pursuant to article 14.2.e) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's reports on operation and on corporate governance and ownership structure at 31 December 2023 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the report on operations and the specific information presented in the report on corporate governance and ownership structure indicated by article 123-bis.4 of Legislative decree no. 58/98 with the group's consolidated financial statements at 31 December 2023 and their compliance with the applicable law and to state whether we have identified material misstatements.

**Enel Group***Independent auditors' report**31 December 2023*

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure referred to above are consistent with the group's consolidated financial statements at 31 December 2023 and have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Statement pursuant to article 4 of the Consob regulation implementing Legislative decree no. 254/16

The directors of Enel S.p.A. are responsible for the preparation of a consolidated non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such consolidated non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the consolidated non-financial statement separately.

Rome, 19 April 2024

KPMG S.p.A.

(signed on the original)

Davide Utili
Director of Audit

ATTACHMENTS












Subsidiaries, associates and other significant equity investments of the Enel Group at December 31, 2023





In compliance with Articles 38 and 39 of Legislative Decree 127/1991 and CONSOB Notice no. DEM/6064293 of July 28, 2006, a list of subsidiaries and associates of Enel SpA at December 31, 2023, pursuant to Article 2359 of the Italian Civil Code, and of other significant equity investments is provided below. Enel has full title to all investments.


























The following information is included for each company:














name, registered office, share capital, currency in which share capital is denominated, business segment, method of consolidation, Group companies that have a stake in the company and their respective ownership share, and the Group's ownership share.

The following provides a key to the icons representing the business segments.

Business segment	Description of business segments
	Group holding company
	Country holding company
	Enel Green Power
	Thermal Generation
	Trading
	Enel Grids
	End-user Markets
	Enel X
	e-Mobility
	Services
	Finance

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Parent									
Enel SpA	Rome	IT	10,166,679,946	EUR		Holding	Enel SpA	100.00%	100.00%
Subsidiaries									
25 Mile Creek Windfarm LLC	Andover	US	1	USD		Line-by-line	25RoseFarms Holdings LLC	100.00%	100.00%
25 Mile PPA LLC	Andover	US	1	USD		Line-by-line	EGP North America PPA LLC	100.00%	100.00%
25RoseFarms Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power 25RoseFarms Holdings LLC	100.00%	100.00%
3SUN Srl	Catania	IT	1,000,000	EUR		Held for sale	Enel Green Power Italia Srl	96.74%	100.00%
							Enel Green Power SpA	3.26%	
3SUN USA LLC	Andover	US	1	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
400 Manley Solar LLC	Boston	US	-	USD		Line-by-line	Enel X Project MP Holdings LLC	100.00%	100.00%
4814 Investments LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Ables Springs Solar LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Ables Springs Storage LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Abu Renewables India Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Ace High Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Aced Renewables Hidden Valley (RF) (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Equity	Enel Green Power RSA 2 (RF) (Pty) Ltd	55.00%	2750%
Acefat AIE	Barcelona	ES	793,340	EUR		-	Edistribución Redes Digitales SLU	14.29%	10.02%
Adams Solar PV Project Two (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	60.00%	60.00%
Adria Link Srl	Gorizia	IT	300,297	EUR		Equity	Enel Produzione SpA	50.00%	50.00%
Aferkat Wind Farm	Casablanca	MA	389,600	MAD		Line-by-line	Enel Green Power Morocco Sarl	99.97%	99.97%
Agassiz Beach LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Agatos Green Power Trino Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Solar Energy Srl	100.00%	100.00%
Aguillón 20 SA	Zaragoza	ES	2,682,000	EUR		Line-by-line	Enel Green Power España SLU	51.00%	35.76%
Aidon Oy	Jyväskylä	FI	5,112,572	EUR		Equity	Gridspertise Srl	100.00%	50.00%
Alba Energia Ltda	Rio de Janeiro	BR	16,045,169	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Albany Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%



















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Almyros Ape Single Member PC	Maroussi	GR	20,001	EUR		Equity	Enel Green Power Hellas Supply Single Member SA	100.00%	50.00%
Alpe Adria Energia Srl	Udine	IT	900,000	EUR		Equity	Enel Produzione SpA	50.00%	50.00%
Alta Farms Azure Ranchland Holdings LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Alta Farms Wind Project II LLC	Andover	US	1	USD		Line-by-line	25RoseFarms Holdings LLC	100.00%	100.00%
Alvorada Energia SA	Niterói	BR	22,317,416	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Ampla Energia e Serviços SA	Rio de Janeiro	BR	4,438,230,387	BRL		Line-by-line	Enel Brasil SA	99.83%	82.13%
Annandale Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Apiacás Energia SA	Rio de Janeiro	BR	14,216,846	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Aquilla Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Aragonesa de Actividades Energéticas SAU	Teruel	ES	60,100	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Aranort Desarrollos SLU	Madrid	ES	3,010	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Aravalli Surya (Project 1) Private Limited	Gurugram	IN	31,630,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Arcadia Power Inc.	Washington DC	US	-	USD		-	Enel X North America Inc.	0.14%	0.14%
Arena Green Power 1 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Arena Green Power 2 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Arena Green Power 3 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Arena Green Power 4 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Arena Green Power 5 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Arena Power Solar 11 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 12 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 13 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 20 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 33 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 34 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Arena Power Solar 35 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%




Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Arrow Head Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Arrow Hills Solar Project	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Asociación Nuclear Ascó-Vandellós II AIE	Vandellós	ES	19,232,400	EUR		Proportional	Endesa Generación SAU	85.41%	59.89%
Ateca Renovables SL	Madrid	ES	3,000	EUR		Equity	Baylio Solar SLU	19.72%	35.06%
							Dehesa de los Guadalupe Solar SLU	14.93%	
							Seguidores Solares Planta 2 SLU	15.35%	
Atlántico Photovoltaic SAS ESP	Barranquilla	CO	50,587,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Atwater Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Aurora Distributed Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Solar Holdings LLC	74.13%	74.13%
Aurora Land Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Aurora Solar Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Aurora Wind Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Aurora Wind Project LLC	Andover	US	1	USD		Line-by-line	Aurora Wind Holdings LLC	100.00%	100.00%
Autumn Hills LLC	Wilmington	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Autumn Waltz Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Avikiran Energy India Private Limited	Gurugram	IN	100,000,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Avikiran Solar India Private Limited	New Delhi	IN	4,918,810,370	INR		Equity	Enel Green Power India Private Limited	51.00%	51.00%
Avikiran Surya India Private Limited	Gurugram	IN	875,350	INR		Equity	Enel Green Power India Private Limited	51.00%	51.00%
Avikiran Vayu India Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Azure Blue Jay Holdings LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Azure Blue Jay Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Azure Blue Jay Solar Holdings LLC	100.00%	100.00%
Azure Sky Solar Project LLC	Andover	US	1	USD		Line-by-line	Azure Blue Jay Solar Holdings LLC	100.00%	100.00%
Azure Sky Wind Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Azure Sky Wind Project LLC	Andover	US	1	USD		Line-by-line	Azure Ranch II Wind Holdings LLC	100.00%	100.00%
Azure Sky Wind Storage LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%


























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
AzureRanchII Wind Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power AzureRanchII Wind Holdings LLC	100.00%	100.00%
Baikal Enterprise SLU	Palma de Mallorca	ES	3,006	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Baleares Energy SLU	Palma de Mallorca	ES	4,509	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Barnwell County Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Baylio Solar SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Beacon Harbor Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Beaver Falls Water Power Company	Wilmington	US	-	USD		Line-by-line	Beaver Valley Holdings LLC	67.50%	67.50%
Beaver Valley Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Bejaad Solar Plant	Casablanca	MA	10,000	MAD		Line-by-line	Enel Green Power Morocco Sarl	99.90%	99.90%
Belltail Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Belomechetskaya WPS	Moscow	RU	3,010,000	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Betwa Renewable Energy Private Limited	Gurgaon	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Bijou Hills Wind LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Bioenergy Casei Gerola Srl	Rome	IT	100,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Bison Meadows Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Bison Meadows Wind Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Blair Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Blanche BESS (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Blanche Holding (Pty) Ltd	100.00%	50.00%
Blanche BESS Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Blanche Holding Trust	100.00%	50.00%
Blue Jay Solar I LLC	Andover	US	1	USD		Line-by-line	Azure Blue Jay Solar Holdings LLC	100.00%	100.00%
Blue Jay Solar II LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Blue Star Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Bogotá ZE SAS	Bogotá	CO	1,189,706,920	COP		Equity	Colombia ZE SAS	100.00%	9.44%
Boitumelo Solar Power Plant (RF) (Pty) Ltd	Gauteng	ZA	100	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Bold Elk Wind Limited Partnership	Calgary	CA	100	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Bondia Energia Ltda	Niterói	BR	2,950,888	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Boone Stephens Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Bosa del Ebro SL	Zaragoza	ES	3,010	EUR		Line-by-line	Enel Green Power España SLU	51.00%	35.76%
Bottom Grass Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Boujdour Wind Farm	Casablanca	MA	300,000	MAD		Equity	Nareva Enel Green Power Morocco SA	90.00%	45.00%
Bouldercombe Solar Farm Trust	Sydney	AU	10	AUD		Equity	Enel Green Power Bouldercombe Trust	100.00%	50.00%
Bouldercombe Solar (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Bouldercombe Holding (Pty) Ltd	100.00%	50.00%
Box Canyon Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
BP Hydro Finance Partnership	Salt Lake City	US	-	USD		Line-by-line	Enel Green Power North America Inc.	24.08%	100.00%
							Enel Kansas LLC	75.92%	
Brandonville Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Bravo Dome Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Brazatortas 220 Renovables SL	Madrid	ES	3,000	EUR		Equity	Baylio Solar SLU	16.98%	23.81%
							Furatena Solar 1 SLU	16.98%	
Brazoria West Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Brazos Flat Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Brick Road Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Bronco Hills Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Brush County Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Buck Canyon Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Buckshutem Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Buckshutem Solar II LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Buffalo Dunes Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Buffalo Dunes Wind Project LLC	Topeka	US	-	USD		Line-by-line	EGPNA Development Holdings LLC	75.00%	75.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Buffalo Jump LP	Alberta	CA	10	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Buffalo Spirit Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Bungala One Finco (Pty) Ltd	Sydney	AU	1,000	AUD		Equity	Bungala One Property Trust	100.00%	25.50%
Bungala One Operation Holding Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	25.00%
Bungala One Operations Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	25.50%
Bungala One Operations (Pty) Ltd	Sydney	AU	1,000	AUD		Equity	Bungala One Operations Holding (Pty) Ltd	100.00%	25.50%
Bungala One Operations Trust	Sydney	AU	-	AUD		Equity	Bungala One Operations Holding (Pty) Ltd	100.00%	25.50%
Bungala One Property Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	25.50%
Bungala One Property Holding Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	25.00%
Bungala One Property (Pty) Ltd	Sydney	AU	1,000	AUD		Equity	Bungala One Property Holding (Pty) Ltd	100.00%	25.50%
Bungala One Property Trust	Sydney	AU	-	AUD		Equity	Bungala One Property Holding (Pty) Ltd	100.00%	25.50%
Bungala Two Finco (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Property Trust	100.00%	25.50%
Bungala Two Operations Holding (Pty) Ltd	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	25.50%
Bungala Two Operations Holding Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	25.00%
Bungala Two Operations (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Operations Holding (Pty) Ltd	100.00%	25.50%
Bungala Two Operations Trust	Sydney	AU	-	AUD		Equity	Bungala Two Operations Holding (Pty) Ltd	100.00%	25.50%
Bungala Two Property Holding (Pty) Ltd	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	25.50%
Bungala Two Property Holding Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	25.00%
Bungala Two Property (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Property Holding (Pty) Ltd	100.00%	25.50%
Bungala Two Property Trust	Sydney	AU	1	AUD		Equity	Bungala Two Property Holding (Pty) Ltd	100.00%	25.50%
Burgundy Spruce Solar LP	Calgary	CA	100	CAD		Line-by-line	Enel Alberta Solar Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Business Venture Investments 1468 (Pty) Ltd	Johannesburg	ZA	100	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%
Butterfly Meadows Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
C&C Castelvetere Srl	Rome	IT	100,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
C&C Uno Energy Srl	Rome	IT	118,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Cactus Mesa Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Campos Promotores Renovables SL	Elche	ES	3,000	EUR		Equity	Enel Green Power España SLU	25.30%	17.74%
Canastota Wind Power LLC	Andover	US	-	USD		Line-by-line	Fenner Wind Holdings LLC	100.00%	100.00%
Caney River Wind Project LLC	Overland Park	US	-	USD		Equity	Rocky Caney Wind LLC	100.00%	10.00%
Canyon Top Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Castle Rock Ridge Limited Partnership	Alberta	CA	-	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Catalana d'Iniciatives SA in liquidation	Barcelona	ES	30,862,800	EUR		-	Endesa SA	0.94%	0.66%
Cattle Drive Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cdec - Sic Ltda	Santiago de Chile	CL	709,783,206	CLP		-	Enel Green Power Chile SA	6.00%	3.90%
Cedar Run Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Central Geradora Fotovoltaica Bom Nome Ltda	Salvador	BR	4,979,739	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Central Geradora Fotovoltaica São Francisco Ltda	Niterói	BR	268,128,917	BRL		Line-by-line	Enel Brasil SA	0.00%	82.27%
							Enel X Brasil SA	100.00%	
Central Hidráulica Güejar-Sierra SL	Granada	ES	364,213	EUR		Equity	Enel Green Power España SLU	33.30%	23.35%
Central Térmica de Anillares AIE	Madrid	ES	595,000	EUR		Equity	Endesa Generación SAU	33.33%	23.37%
Central Vuelta de Obligado SA	Buenos Aires	AR	500,000	ARS		-	Enel Generación El Chocón SA	33.20%	17.95%
Centrales Nucleares Almaraz-Trillo AIE	Madrid	ES	-	EUR		Equity	Endesa Generación SAU	24.18%	16.95%
Centrum Pre Vedu A Vyskum Sro	Kalná Nad Hronom	SK	6,639	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
CES 2 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 3 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 4 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 5 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 6 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 7 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%
CES 8 Private Company	Athens	GR	501	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.20%	0.10%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
CESI - Centro Elettrotecnico Sperimentale Italiano Giacinto Motta SpA	Milan	IT	8,550,000	EUR		Equity	Enel SpA	42.70%	42.70%
Champagne Storage LLC	Wilmington	US	1	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Checkerboard Plains Solar Project Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Solar Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Cheyenne Ridge II Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cheyenne Ridge Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Chi Black River LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Minnesota Wind LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Operations Inc.	Andover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Power Inc.	Naples	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Power Marketing Inc.	Wilmington	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi West LLC	San Francisco	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chinango SAC	San Miguel	PE	295,249,298	SOL		Held for sale	Enel Generación Perú SAA	80.00%	57.23%
Chisago Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Chisholm View II Holding LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Chisholm View Wind Project II LLC	Wilmington	US	-	USD		Line-by-line	Chisholm View II Holding LLC	62.79%	62.79%
Chisholm View Wind Project LLC	New York	US	-	USD		Equity	EGPNA REP Wind Holdings LLC	100.00%	10.00%
Cimarron Bend Assets LLC	Wilmington	US	-	USD		Line-by-line	Cimarron Bend Wind Project I LLC Cimarron Bend Wind Project II LLC Cimarron Bend Wind Project III LLC Enel Kansas LLC	49.00% 49.00% 1.00% 1.00%	100.00%
Cimarron Bend III HoldCo LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Cimarron Bend Wind Holdings III LLC	100.00%	100.00%
Cimarron Bend Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cimarron Bend Wind Holdings I LLC	Wilmington	US	-	USD		Line-by-line	Cimarron Bend Wind Holdings II LLC	100.00%	100.00%
Cimarron Bend Wind Holdings II LLC	Dover	US	100	USD		Line-by-line	Cimarron Bend Wind Holdings LLC	100.00%	100.00%
Cimarron Bend Wind Holdings III LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Cimarron Bend Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	EGPNA Preferred Wind Holdings LLC	100.00%	100.00%
Cimarron Bend Wind Project I LLC	Wilmington	US	-	USD		Line-by-line	Cimarron Bend Wind Holdings I LLC	100.00%	100.00%
Cimarron Bend Wind Project II LLC	Wilmington	US	-	USD		Line-by-line	Cimarron Bend Wind Holdings I LLC	100.00%	100.00%
Cimarron Bend Wind Project III LLC	Wilmington	US	-	USD		Line-by-line	Cimarron Bend Wind Holdings III LLC	100.00%	100.00%
Cinch Top Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cipher Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
CityPoste Payment Digital Srl	Mosciano Sant'Angelo	IT	10,000	EUR		Equity	Mooney SpA	100.00%	50.00%
Clear Fork Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Clear Sky Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Clinton Farms Battery Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Clinton Farms Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Clinton Farms Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Cloudwalker Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cogein Sannio Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Cogeneración el Salto SL in liquidation	Zaragoza	ES	36,061	EUR		Equity	Enel Green Power España SLU	20.00%	14.02%
Cogenio Iberia SL	Madrid	ES	2,874,622	EUR		Equity	Endesa X Servicios SLU	20.00%	14.02%
Cogenio Srl	Rome	IT	2,310,000	EUR		Equity	Enel X Italia Srl	20.00%	20.00%
Cohuna Solar Farm (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Cohuna Holdings (Pty) Ltd	100.00%	50.00%
Cohuna Solar Farm Trust	Sydney	AU	1	AUD		Equity	Enel Green Power Cohuna Trust	100.00%	50.00%
Colombia ZE SAS	Bogotá	CO	11,872,499,000	COP		Equity	Enel Colombia SA ESP	20.00%	9.44%
Comanche Crest Ranch LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Comercializadora Eléctrica de Cádiz SA	Cádiz	ES	600,000	EUR		Equity	Endesa SA	33.50%	23.49%
Compagnia Porto di Civitavecchia SpA in liquidation	Rome	IT	15,130,800	EUR		Equity	Enel Produzione SpA	24.34%	24.34%
Companhia Energética do Ceará - Coelce	Fortaleza	BR	1,282,346,886	BRL		Line-by-line	Enel Brasil SA	74.05%	60.92%
Compañía de Trasmisión del Mercosur SA - CTM	Buenos Aires	AR	2,025,191,313	ARS		Held for sale	Enel Brasil SA	74.15%	82.27%
							Enel CIEN SA	25.85%	
							Enel SpA	0.00%	
























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Compañía Energética Veracruz SAC	San Miguel	PE	37,721,314	SOL		Held for sale	Enel Perú SAC	100.00%	82.27%
Compañía Eólica Tierras Altas SA	Soria	ES	13,222,000	EUR		Equity	Compañía Eólica Tierras Altas SA	5.00%	26.29%
							Enel Green Power España SLU	35.63%	
Compass Rose Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Concert Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Concho Solar I LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Concord Vine Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Consolidated Hydro Southeast LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Consolidated Pumped Storage Inc.	Wilmington	US	550,000	USD		Line-by-line	Enel Green Power North America Inc.	81.83%	81.83%
Conza Green Energy Srl	Rome	IT	73,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Copper Landing Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Corporación Empresarial de Extremadura SA	Badajoz	ES	44,538,000	EUR		-	Endesa SA	1.01%	0.71%
Corporación Eólica de Zaragoza SL	La Puebla de Alfindén	ES	271,652	EUR		Equity	Enel Green Power España SLU	25.00%	175.3%
Country Roads Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Cow Creek Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Crédito Fácil Codensa SA Compañía de Financiamiento in liquidation	Bogotá	CO	32,000,000,000	COP		Equity	Colombia ZE SAS	0.00%	23.12%
							Enel Colombia SA ESP	48.99%	
							Enel X Colombia SAS ESP	0.00%	
Crockett Solar I LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Dairy Meadows Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Daisy Patch Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Danax Energy (Pty) Ltd	Sandton	ZA	100	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%
Dappled Colt Storage Project Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Storage Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Dauphin Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Daybreak Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Decimalfigure - Unipessoal Ltda	Pego	PT	2,000	EUR		Equity	Tejo Energia - Produção e Distribuição de Energia Eléctrica SA	100.00%	30.68%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Dehesa de los Guadalupe Solar SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Dehesa PV Farm 03 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Dehesa PV Farm 04 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Derivex SA	Bogotá	CO	938,734,000	COP		-	Enel Colombia SA ESP	5.20%	2.46%
Desarrollo de Fuerzas Renovables S de RL de Cv	Mexico City	MX	53,104,350	MXN		Line-by-line	Enel Green Power México S de RL de Cv	100.00%	100.00%
							Enel Services México SA de Cv	0.00%	
Desert Willow Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
DIT.N.E. - Distretto Tecnologico Nazionale sull'Energia - Società Consortile a Responsabilità Limitata	Rome	IT	451,878	EUR		-	Enel Produzione SpA	1.79%	1.79%
Diamond Vista Holdings LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Diamond Vista Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Dispatch Renewable Energy Societe Anonyme	Heraklion, Crete	GR	740,000	EUR		Equity	Enel Green Power Hellas SA	0.00%	0.00%
Distretto Tecnologico Sicilia Micro e Nano Sistemi Scarl	Catania	IT	628,978	EUR		-	3SUN Srl	5.56%	5.56%
Distribuidora de Energía Eléctrica del Bages SA	Barcelona	ES	108,240	EUR		Line-by-line	Endesa SA	55.00%	70.12%
							Hidroeléctrica de Catalunya SLU	45.00%	
Distribuidora Eléctrica del Puerto de la Cruz SAU	Santa Cruz de Tenerife	ES	12,621,210	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Distrilec Inversora SA	Buenos Aires	AR	497,612,021	ARS		Line-by-line	Enel Américas SA	51.50%	42.37%
Dodge Center Distributed Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Dolores Wind SA de Cv	Mexico City	MX	4,151,197,627	MXN		Line-by-line	Enel Green Power México S de RL de Cv	1.00%	100.00%
							Enel Rinnovabile SA de Cv	99.00%	
Dominica Energía Limpia SA de Cv	Mexico City	MX	2,070,600,646	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Dorset Ridge Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Dover Solar I LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Dragonfly Fields Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Drift Sand Wind Holdings LLC	Wilmington	US	-	USD		Equity	Enel Kansas LLC	50.00%	50.00%
Drift Sand Wind Project LLC	Wilmington	US	-	USD		Equity	Drift Sand Wind Holdings LLC	100.00%	50.00%
Dwarka Vayu 1 Private Limited	Gurgaon	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
E.S.CO. Comuni Srl	Bergamo	IT	1,000,000	EUR		Line-by-line	Enel X Italia Srl	60.00%	60.00%

























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Earthly Reflections Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Eastern Rise Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Eastwood Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Ebenezer Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Ecosolar2 Private Company	Grevena	GR	1,000	EUR		-	Enel Green Power Hellas SA	0.10%	0.10%
Edgartown Depot Solar 1 LLC	Boston	US	-	USD		Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Edistribución Redes Digitales SLU	Madrid	ES	1,204,540,060	EUR		Line-by-line	Endesa SA	100.00%	70.12%
e-distribuzione SpA	Rome	IT	2,600,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
EF Divesture LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Efficientya Srl	Bergamo	IT	100,000	EUR		Equity	Enel X Italia Srl	50.00%	50.00%
EGP Australia (Pty) Ltd	Sydney	AU	10,000	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
EGP BESS 1 (RF) (Pty) Ltd	Gauteng	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
EGP Bioenergy Srl	Rome	IT	1,000,000	EUR		Line-by-line	Enel Green Power Puglia Srl	100.00%	100.00%
EGP fotovoltaica La Loma SAS in liquidation	Bogotá	CO	8,000,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
EGP Geronimo Holding Company Inc.	Wilmington	US	1,000	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP GulfStar Solar PPA LLC	Andover	US	1	USD		Line-by-line	EGP North America PPA LLC	100.00%	100.00%
EGP HoldCo 1 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 10 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 11 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 12 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 13 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 14 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 15 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 16 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 17 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGP HoldCo 18 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 2 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 3 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 4 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 5 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 6 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 7 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 8 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP HoldCo 9 LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP Magdalena Solar SA de Cv	Mexico City	MX	1,258,077,873	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	99.50% 0.50%	100.00%
EGP Matimba NewCo 1 Srl	Rome	IT	10,000	EUR		Equity	Enel Green Power SpA	50.00%	50.00%
EGP Matimba NewCo 2 Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
EGP Nevada Power LLC	Wilmington	US	-	USD		Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
EGP North America PPA LLC	Andover	US	1	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Sabaudia Srl	Rome	IT	1,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
EGP Salt Wells Solar LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP San Leandro Microgrid I LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGP Solar Services LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGP Solar V SAU	San Salvador de Jujuy	AR	500,000	ARS		Line-by-line	Enel Green Power Argentina	100.00%	82.27%
EGP Solar VI SAU	San Salvador de Jujuy	AR	500,000	ARS		Line-by-line	Enel Green Power Argentina	100.00%	82.27%
EGP Stillwater Solar LLC	Wilmington	US	-	USD		Held for sale	Enel Stillwater LLC	100.00%	100.00%
EGP Stillwater Solar PV II LLC	Wilmington	US	1	USD		Held for sale	Stillwater Woods Hill Holdings LLC	100.00%	100.00%
EGP Terracina 01 Srl	Rome	IT	1,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
EGP Terracina 02 Srl	Rome	IT	1,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%



























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGP Timber Hills Project LLC	Los Angeles	US	-	USD		Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
EGPE Solar 2 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
EGPNA 2020 HoldCo 1 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 10 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 11 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 12 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 13 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 14 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 15 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 16 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 17 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 18 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 19 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 2 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 20 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 21 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 22 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 23 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 24 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 25 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 26 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 27 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 28 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 29 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%







Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGPNA 2020 HoldCo 3 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 30 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 4 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 5 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 6 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 7 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 8 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 9 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 1 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 10 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 11 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 12 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 13 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 14 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 15 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 16 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 17 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 18 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 19 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 2 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 20 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 3 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 4 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 5 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%






















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGPNA 2023 HoldCo 6 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 7 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 8 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2023 HoldCo 9 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA Development Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Development LLC	100.00%	100.00%
EGPNA Hydro Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Preferred Wind Holdings II LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Preferred Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 1 LLC	Dover	US	100	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA Project HoldCo 2 LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 5 LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 6 LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 7 LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Renewable Energy Partners LLC	Wilmington	US	-	USD		Equity	EGPNA REP Holdings LLC	10.00%	10.00%
EGPNA REP Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA REP Solar Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA REP Wind Holdings LLC	Wilmington	US	-	USD		Equity	EGPNA Renewable Energy Partners LLC	100.00%	10.00%
EGPNA Wind Holdings 1 LLC	Wilmington	US	-	USD		Equity	EGPNA REP Wind Holdings LLC	100.00%	10.00%
EGPNA-SP Seven Cowboy Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Elcogas SA in liquidation	Puertollano	ES	809,690	EUR		Equity	Endesa Generación SAU	40.99%	33.06%
							Enel SpA	4.32%	
Elecgas SA	Pego	PT	50,000	EUR		Equity	Endesa Generación Portugal SA	50.00%	35.06%
Electra Capital (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	60.00%	60.00%
Eléctrica de Jafre SA	Barcelona	ES	165,876	EUR		Line-by-line	Endesa SA	52.54%	70.12%
							Hidroeléctrica de Catalunya SLU	47.46%	
Eléctrica de Lijar SL	Cádiz	ES	1,081,822	EUR		Equity	Endesa SA	50.00%	35.06%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Eléctrica del Ebro SAU	Barcelona	ES	500,000	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Electricidad de Puerto Real SA	Puerto Real	ES	4,960,246	EUR		Equity	Endesa SA	50.00%	35.06%
Electro Metalúrgica del Ebro SL	Madrid	ES	2,906,862	EUR		-	Enel Green Power España SLU	0.18%	0.12%
Electrotest Instalaciones, Montajes y Mantenimientos SL	Puerto Real	ES	10,000	EUR		-	Epresa Energía SA	50.00%	1753%
Eletropaulo Metropolitana Eletricidade de São Paulo SA	São Paulo	BR	3,079,524,934	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Emerald Crescent Solar Limited Partnership	Calgary	CA	100	CAD		Line-by-line	Enel Alberta Solar Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Emeroo BESS (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Emeroo Holding (Pty) Ltd	100.00%	50.00%
Emintegral Cycle SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Empresa Carbonífera del Sur - ENCASUR SAU	Madrid	ES	18,030,000	EUR		Line-by-line	Endesa Generación SAU	100.00%	70.12%
Empresa de Alumbrado Eléctrico de Ceuta Distribución SAU	Ceuta	ES	9,335,000	EUR		Line-by-line	Empresa de Alumbrado Eléctrico de Ceuta SA	100.00%	6761%
Empresa de Alumbrado Eléctrico de Ceuta Energía SLU	Ceuta	ES	10,000	EUR		Line-by-line	Endesa Energía SAU	100.00%	70.12%
Empresa de Alumbrado Eléctrico de Ceuta SA	Ceuta	ES	16,562,250	EUR		Line-by-line	Endesa SA	96.42%	6761%
Empresa Distribuidora Sur SA - Edesur	Buenos Aires	AR	898,585,028	ARS		Line-by-line	Distrilec Inversora SA	56.36%	59.33%
							Enel Argentina SA	43.10%	
Empresa Eléctrica Pehuenche SA	Santiago de Chile	CL	175,774,920,733	CLP		Line-by-line	Enel Generación Chile SA	92.65%	56.27%
Empresa Propietaria de la Red SA	Panama City	PA	58,500,000	USD		-	Enel SpA	11.11%	11.11%
EN. Solar 4 Single Member Private Company	Maroussi	GR	1,000	EUR		Equity	Enel Green Power Hellas Supply Single Member SA	100.00%	50.00%
Endesa Capital SAU	Madrid	ES	60,200	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Energía Renovable SLU	Madrid	ES	100,000	EUR		Line-by-line	Endesa Energía SAU	100.00%	70.12%
Endesa Energía SAU	Madrid	ES	14,445,576	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Financiación Filiales SAU	Madrid	ES	4,621,003,006	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Generación II SAU	Seville	ES	63,107	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Generación Nuclear SAU	Seville	ES	60,000	EUR		Line-by-line	Endesa Generación SAU	100.00%	70.12%
Endesa Generación Portugal SA	Lisbon	PT	50,000	EUR		Line-by-line	Endesa Energía SAU	0.20%	70.12%
							Endesa Generación SAU	99.20%	
							Enel Green Power España SLU	0.60%	
Endesa Generación SAU	Seville	ES	1,940,379,735	EUR		Line-by-line	Endesa SA	100.00%	70.12%





Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Endesa Ingeniería SLU	Seville	ES	965,305	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Medios y Sistemas SLU	Madrid	ES	89,999,790	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Mobility SLU	Madrid	ES	10,000,000	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa Operaciones y Servicios Comerciales SLU	Madrid	ES	10,138,580	EUR		Line-by-line	Endesa Energía SAU	100.00%	70.12%
Endesa X Servicios SLU	Madrid	ES	32,396	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Endesa X Way SL	Madrid	ES	600,000	EUR		Line-by-line	Endesa Mobility SLU Enel X Way Srl	49.00% 51.00%	85.36%
Endesa SA	Madrid	ES	1,270,502,540	EUR		Line-by-line	Endesa SA Enel Iberia SRLU	0.02% 70.10%	70.12%
Enel Alberta Solar Inc.	Calgary	CA	1	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Alberta Storage Inc.	Calgary	CA	1	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Alberta Wind Inc.	Alberta	CA	16,251,021	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Américas SA	Santiago de Chile	CL	15,799,226,825	USD		Line-by-line	Enel SpA	82.27%	82.27%
Enel Argentina SA	Buenos Aires	AR	2,297,711,908	ARS		Line-by-line	Enel Américas SA Enel Generación Chile SA	99.92% 0.08%	82.25%
Enel Bella Energy Storage LLC	Wilmington	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Enel Brasil SA	Niterói	BR	43,393,413,243	BRL		Line-by-line	Enel Américas SA Enel Brasil SA	99.61% 0.39%	82.27%
Enel Chile SA	Santiago de Chile	CL	3,882,103,470,184	CLP		Line-by-line	Enel SpA	64.93%	64.93%
Enel CIEN SA	Rio de Janeiro	BR	285,044,682	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Colina SA	Santiago de Chile	CL	82,222,000	CLP		Line-by-line	Enel Chile SA Enel Distribución Chile SA	0.00% 100.00%	64.34%
Enel Colombia SA ESP	Bogotá	CO	655,222,312,800	COP		Line-by-line	Enel Américas SA	57.34%	47.18%
Enel Costa Rica CAM SA	San José	CR	27,500,000	USD		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Enel Cove Fort II LLC	Wilmington	US	-	USD		Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Enel Cove Fort LLC	Beaver	US	-	USD		Held for sale	Enel Geothermal LLC	100.00%	100.00%
Enel Distribución Chile SA	Santiago de Chile	CL	177,568,664,063	CLP		Line-by-line	Enel Chile SA	99.09%	64.34%
Enel Distribución Perú SAA	San Miguel	PE	3,033,046,862	SOL		Held for sale	Enel Perú SAC	83.15%	68.41%
Enel Energia SpA	Rome	IT	10,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Energia SA de Cv	Mexico City	MX	25,000,100	MXN		Line-by-line	Enel Green Power México S de RL de Cv	100.00%	100.00%
							Enel Rinnovabile SA de Cv	0.00%	
Enel Energy Australia (Pty) Ltd	Sydney	AU	200,100	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Energy North America Illinois LLC	Andover	US	1	USD		Line-by-line	Enel Energy North America LLC	100.00%	100.00%
Enel Energy North America Ohio LLC	Andover	US	1	USD		Line-by-line	Enel Energy North America LLC	100.00%	100.00%
Enel Energy North America Pennsylvania LLC	Andover	US	1	USD		Line-by-line	Enel Energy North America LLC	100.00%	100.00%
Enel Energy North America Texas LLC	Andover	US	1	USD		Line-by-line	Enel Energy North America LLC	100.00%	100.00%
Enel Energy North America LLC	Andover	US	1	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel Energy South Africa	Wilmington	ZA	100	ZAR		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	Andover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Erre SpA	Rome	IT	3,000,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Finance America LLC	Wilmington	US	200,000,000	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Finance International NV	Amsterdam	NL	1,478,810,371	EUR		Line-by-line	Enel Holding Finance Srl	75.00%	100.00%
							Enel SpA	25.00%	
Enel Fortuna SA	Panama City	PA	100,000,000	USD		Line-by-line	Enel Panamá CAM Srl	50.06%	23.62%
Enel Future Project 2020 #1 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #10 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #11 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #12 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #13 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #14 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #15 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #16 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #17 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #18 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #19 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #2 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #20 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%


















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Future Project 2020 #3 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #4 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #5 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #6 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #7 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #8 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Future Project 2020 #9 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Enel Generación Chile SA	Santiago de Chile	CL	552,777,320,871	CLP	  	Line-by-line	Enel Chile SA	93.55%	60.74%
Enel Generación El Chocón SA	Buenos Aires	AR	18,321,776,559	ARS		Line-by-line	Enel Argentina SA	8.67%	54.07%
							Hidroinvest SA	59.00%	
Enel Generación Perú SAA	San Miguel	PE	3,134,886,677	SOL	  	Held for sale	Enel Américas SA	20.46%	71.54%
							Enel Perú SAC	66.49%	
Enel Generación Piura SA	San Miguel	PE	249,202,667	SOL	  	Held for sale	Enel Perú SAC	96.50%	79.39%
Enel Generación SA de Cv	Mexico City	MX	7,100,100	MXN		Line-by-line	Enel Green Power México S de RL de Cv	100.00%	100.00%
							Enel Rinnovabile SA de Cv	0.00%	
Enel Geothermal LLC	Wilmington	US	-	USD		Held for sale	Enel Green Power North America Inc.	100.00%	100.00%
Enel Global Services Srl	Rome	IT	10,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Global Trading SpA	Rome	IT	90,885,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Green Power 25RoseFarms Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Argentina	Buenos Aires	AR	463,577,761	ARS		Line-by-line	Enel Américas SA	100.00%	82.27%
Enel Green Power Aroeira 01 SA	Rio de Janeiro	BR	334,518,402	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 02 SA	Rio de Janeiro	BR	284,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 03 SA	Rio de Janeiro	BR	284,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 04 SA	Rio de Janeiro	BR	430,299,146	BRL		Line-by-line	Enel Brasil SA	99.97%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.03%	













Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Aroeira 05 SA	Rio de Janeiro	BR	284,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 06 SA	Rio de Janeiro	BR	284,511,002	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 07 SA	Rio de Janeiro	BR	284,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Aroeira 08 SA	Rio de Janeiro	BR	284,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Australia (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power SpA	50.00%	50.00%
Enel Green Power Australia Trust	Sydney	AU	100	AUD		Equity	Enel Green Power SpA	50.00%	50.00%
Enel Green Power Azure Blue Jay Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Azure Ranchland Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power AzureRanchII Wind Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Blanche Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	EGP Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Blanche Holding Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power Boa Vista 01 Ltda	Salvador	BR	3,554,607	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Boa Vista Eólica SA	Rio de Janeiro	BR	42,890,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Bouldercombe Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Bouldercombe Trust	Sydney	AU	10	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power Bungala (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Bungala Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Cabeça de Boi SA	Niterói	BR	270,114,539	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Cachoeira Dourada SA	Cachoeira Dourada	BR	64,339,836	BRL		Line-by-line	Enel Brasil SA	99.61%	82.07%
							Enel Green Power Cachoeira Dourada SA	0.15%	
Enel Green Power Canada Inc.	Montreal	CA	85,681,857	CAD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Green Power Cerrado Solar SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	


















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Chile SA	Santiago de Chile	CL	842,121,531	USD		Line-by-line	Enel Chile SA	99.99%	64.93%
							Enel SpA	0.01%	
Enel Green Power Cimarron Bend Wind Holdings III LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Cohuna Holdings (Pty) Ltd	Sydney	AU	3,419,700	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Cohuna Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power Cove Fort Solar LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Cristal Eólica SA	Rio de Janeiro	BR	87784,899	BRL		Line-by-line	Enel Brasil SA	98.63%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.37%	
Enel Green Power Cumaru 01 SA	Niterói	BR	204,653,591	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Cumaru 02 SA	Niterói	BR	107,601,273	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Cumaru 03 SA	Rio de Janeiro	BR	225,021,296	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Cumaru 04 SA	Rio de Janeiro	BR	230,869,708	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Cumaru 05 SA	Rio de Janeiro	BR	180,208,001	BRL		Line-by-line	Enel Brasil SA	99.94%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Cumaru Participações SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Cumaru Solar 01 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Cumaru Solar 02 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Damascena Eólica SA	Rio de Janeiro	BR	83,709,003	BRL		Line-by-line	Enel Brasil SA	99.16%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.84%	
Enel Green Power Delfina A Eólica SA	Rio de Janeiro	BR	284,062,483	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Delfina B Eólica SA	Rio de Janeiro	BR	93,068,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Delfina C Eólica SA	Rio de Janeiro	BR	31,105,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Delfina D Eólica SA	Rio de Janeiro	BR	105,864,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Delfina E Eólica SA	Niterói	BR	105,936,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Desenvolvimento Ltda	Rio de Janeiro	BR	61,617,590	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Development Srl	Rome	IT	20,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Diamond Vista Wind Project LLC	Wilmington	US	1	USD		Line-by-line	Diamond Vista Holdings LLC	100.00%	100.00%
Enel Green Power Dois Riachos Eólica SA	Rio de Janeiro	BR	83,347,009	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Egypt SAE	Cairo	EG	250,000	EGP		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power El Salvador SA de Cv	El Salvador	SV	22,860	USD		Line-by-line	Enel Américas SA	0.04%	99.99%
							Enel Green Power SpA	99.96%	
Enel Green Power Elkwater Wind Limited Partnership	Alberta	CA	1,000	CAD		Line-by-line	Enel Alberta Wind Inc.	1.00%	100.00%
							Enel Green Power Canada Inc.	99.00%	
Enel Green Power Elmsthorpe Wind LP	Calgary	CA	1,000	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Enel Green Power Emeroo Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	EGP Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Emiliana Eólica SA	Rio de Janeiro	BR	97,191,530	BRL		Line-by-line	Enel Brasil SA	98.35%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.65%	
Enel Green Power España Solar 1 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Enel Green Power España SLU	Madrid	ES	11,153	EUR		Line-by-line	Endesa Generación SAU	100.00%	70.12%
Enel Green Power Esperança Eólica SA	Rio de Janeiro	BR	99,418,174	BRL		Line-by-line	Enel Brasil SA	98.89%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.11%	
Enel Green Power Estonian Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Fazenda SA	Niterói	BR	264,141,174	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Fence Post Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Flat Rocks One Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	EGP Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Flat Rocks One Holding Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power Fontes dos Ventos 2 SA	Rio de Janeiro	BR	183,315,219	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Fontes dos Ventos 3 SA	Rio de Janeiro	BR	221,001,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Fontes II Participações SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Fontes Solar SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ganado Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Germany GmbH	Berlin	DE	25,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Girgarre Holdings (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Girgarre Trust	Sydney	AU	10	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power Global Investment BV	Amsterdam	NL	10,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Hadros Wind Limited Partnership	-	CA	1,000	CAD		Line-by-line	Enel Alberta Wind Inc.	1.00%	100.00%
							Enel Green Power Canada Inc.	99.00%	
Enel Green Power Hellas SA	Maroussi	GR	40,187,850	EUR		Equity	Hellas Res Holdings Single Member Societe Anonyme	100.00%	50.00%
Enel Green Power Hellas Supply Single Member SA	Maroussi	GR	13,357,770	EUR		Equity	Hella Res Societe Anonyme	100.00%	50.00%
Enel Green Power Hellas Wind Parks South Evia Single Member SA	Maroussi	GR	140,669,641	EUR		Equity	Enel Green Power Hellas SA	100.00%	50.00%
Enel Green Power HF101 GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power Hilltopper Wind LLC (formerly Hilltopper Wind Power LLC)	Dover	US	1	USD		Line-by-line	Hilltopper Wind Holdings LLC	100.00%	100.00%
Enel Green Power Holding Crocodile Creek (Pty) Ltd	Sydney	AU	100	AUD		Equity	EGP Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Horizonte MP Solar SA	Rio de Janeiro	BR	431,566,053	BRL		Line-by-line	Alba Energia Ltda	0.01%	82.27%
							Enel Brasil SA	99.99%	
Enel Green Power India Private Limited	New Delhi	IN	200,000,000	INR		Line-by-line	Enel Green Power Development Srl	100.00%	100.00%
Enel Green Power Italia Srl	Rome	IT	272,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Green Power Ituverava Norte Solar SA	Rio de Janeiro	BR	219,806,646	BRL		Line-by-line	Bondia Energia Ltda	0.08%	82.27%
							Enel Brasil SA	99.92%	
Enel Green Power Ituverava Solar SA	Rio de Janeiro	BR	227,810,333	BRL		Line-by-line	Bondia Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power Ituverava Sul Solar SA	Rio de Janeiro	BR	408,949,643	BRL		Line-by-line	Bondia Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power Joana Eólica SA	Rio de Janeiro	BR	90,259,530	BRL		Line-by-line	Enel Brasil SA	98.33%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.67%	
Enel Green Power Kenya Limited	Nairobi	KE	100,000	KES		Line-by-line	Enel Green Power SpA	99.00%	100.00%
							Enel Green Power South Africa (Pty) Ltd	1.00%	
Enel Green Power Korea LLC	Seoul	KR	7,880,000,000	KRW		Line-by-line	Enel Green Power SpA	100.00%	100.00%























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Lagoa do Sol 01 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 02 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 03 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 04 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 05 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 06 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 07 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 08 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 09 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 10 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 11 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 12 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa do Sol 13 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa II Participações SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa III Participações SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lagoa Participações SA (formerly Enel Green Power Projetos 45 SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Lilly Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Maniçoba Eólica SA	Rio de Janeiro	BR	90,722,530	BRL		Line-by-line	Enel Brasil SA	99.20%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.80%	
Enel Green Power Matimba Srl in liquidation	Rome	IT	10,000	EUR		Equity	Enel Green Power SpA	50.00%	50.00%
Enel Green Power Metehara Solar Private Limited Company	-	ET	5,600,000	ETB		Line-by-line	Enel Green Power Solar Metehara SpA	80.00%	80.00%
Enel Green Power México S de RL de Cv	Mexico City	MX	10,595,218,475	MXN		Line-by-line	Enel Green Power SpA	66.67%	100.00%
							Enel Rinnovabile SA de Cv	33.33%	
Enel Green Power MM GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power Modelo I Eólica SA	Rio de Janeiro	BR	70,842,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Modelo II Eólica SA	Rio de Janeiro	BR	63,742,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Morocco Sarl	Casablanca	MA	839,000,000	MAD		Line-by-line	Enel Green Power Development Srl	0.00%	100.00%
							Enel Green Power SpA	100.00%	
Enel Green Power Morro do Chapéu I Eólica SA	Rio de Janeiro	BR	248,138,287	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Morro do Chapéu II Eólica SA	Rio de Janeiro	BR	206,050,114	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Morro do Chapéu Solar 01 SA (formerly Enel Green Power São Gonçalo III Participações SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Morro Norte 02 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Morro Norte 03 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Morro Norte 04 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Mourão SA	Rio de Janeiro	BR	25,600,100	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Namibia (Pty) Ltd	Windhoek	NA	10,000	NAD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power North America Development LLC	Wilmington	US	-	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Green Power North America Inc.	Andover	US	-	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Green Power Nova Olinda 01 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 02 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Nova Olinda 03 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 04 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 05 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 06 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 07 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 08 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 09 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 10 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 11 SA (formerly Enel Green Power Arceira 09 SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 12 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Nova Olinda 13 SA (formerly Enel Brasil Central SA)	Rio de Janeiro	BR	10,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power Novo Lapa 01 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 02 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 03 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 04 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 05 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 06 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Novo Lapa 07 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Novo Lapa 08 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power O&M Solar LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Parapanema SA	Niterói	BR	162,567,500	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Partecipazioni Speciali Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Pau Ferro Eólica SA	Rio de Janeiro	BR	74,124,000	BRL		Line-by-line	Enel Brasil SA	97.92%	82.27%
							Enel Green Power Desenvolvimento Ltda	2.08%	
Enel Green Power Pedra do Gerônimo Eólica SA	Rio de Janeiro	BR	119,319,528	BRL		Line-by-line	Enel Brasil SA	98.25%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.75%	
Enel Green Power PO11 GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power PO133 GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power PO25 GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power Primavera Eólica SA	Rio de Janeiro	BR	95,674,900	BRL		Line-by-line	Enel Brasil SA	98.50%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.50%	
Enel Green Power Puglia Srl	Rome	IT	1,000,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power Quorn Holding (Pty) Ltd	Sydney	AU	100	AUD		Equity	EGP Australia (Pty) Ltd	100.00%	50.00%
Enel Green Power Quorn Holding Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Green Power RA SAE in liquidation	Cairo	EG	15,000,000	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Rattlesnake Creek Wind Project LLC (formerly Rattlesnake Creek Wind Project LLC)	Delaware	US	1	USD		Line-by-line	Rattlesnake Creek Holdings LLC	100.00%	100.00%
Enel Green Power Roadrunner Solar Project Holdings II LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Roadrunner Solar Project Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Roadrunner Solar Project II LLC	Dover	US	100	USD		Line-by-line	Enel Roadrunner Solar Project Holdings II LLC	100.00%	100.00%
Enel Green Power Rockhaven Ranchland Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Roseland Solar LLC	Andover	US	1	USD		Line-by-line	25RoseFarms Holdings LLC	100.00%	100.00%











Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power RSA (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Equity	EGP Matimba NewCo 1 Srl	100.00%	50.00%
Enel Green Power RSA 2 (RF) (Pty) Ltd	Johannesburg	ZA	120	ZAR		Equity	Enel Green Power RSA (Pty) Ltd	100.00%	50.00%
Enel Green Power Rus Limited Liability Company	Moscow	RU	60,500,000	RUB		Line-by-line	Enel Green Power Partecipazioni Speciali Srl	1.00%	100.00%
							Enel Green Power SpA	99.00%	
Enel Green Power SpA	Rome	IT	272,000,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Green Power Salto Apiacás SA (formerly Enel Green Power Damascena Eólica SA)	Rio de Janeiro	BR	274,420,832	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Sannio Srl	Rome	IT	750,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power São Abraão Eólica SA	Rio de Janeiro	BR	91,300,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power São Cirilo 02 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power São Cirilo 03 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power São Gonçalves 01 SA (formerly Enel Green Power Projetos 10)	Teresina	BR	81,960,397	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalves 02 SA (formerly Enel Green Power Projetos 11)	Teresina	BR	82,268,019	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalves 07 SA (formerly Enel Green Power Projetos 42 SA)	Teresina	BR	114,522,005	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalves 08 SA (formerly Enel Green Power Projetos 43 SA)	Teresina	BR	109,281,818	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalves 10 SA (formerly Enel Green Power Projetos 15)	Teresina	BR	82,871,484	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power São Gonçalves 11 SA (formerly Enel Green Power Projetos 44 SA)	Teresina	BR	114,475,155	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power São Gonçalves 12 SA (formerly Enel Green Power Projetos 22 SA)	Teresina	BR	108,022,915	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalves 14	Teresina	BR	147,279,288	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalves 15	Teresina	BR	120,057,469	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power São Gonçalves 17 SA	Teresina	BR	122,007,043	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalves 18 SA (formerly Enel Green Power Ventos de Santa Ângela 13 SA)	Teresina	BR	120,981,744	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	







Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power São Gonçalo 19 SA	Teresina	BR	122,467,789	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power São Gonçalo 21 SA (formerly Enel Green Power Projetos 16)	Teresina	BR	99,994,198	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalo 22 SA	Teresina	BR	99,787,960	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalo 3 SA (formerly Enel Green Power Projetos 12)	Teresina	BR	91,324,686	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalo 4 SA (formerly Enel Green Power Projetos 13)	Teresina	BR	90,925,258	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalo 5 SA (formerly Enel Green Power Projetos 15)	Teresina	BR	98,230,525	BRL		Line-by-line	Alba Energia Ltda	0.00%	82.27%
							Enel Brasil SA	100.00%	
Enel Green Power São Gonçalo 6 SA (formerly Enel Green Power Projetos 19 SA)	Teresina	BR	183,602,691	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power São Judas Eólica SA	Niterói	BR	82,674,900	BRL		Line-by-line	Enel Brasil SA	98.26%	82.27%
							Enel Green Power Desenvolvimento Ltda	1.74%	
Enel Green Power São Micael 01 SA (formerly Enel Green Power São Gonçalo 9 SA)	Teresina	BR	1,000	BRL		Line-by-line	Alba Energia Ltda	0.10%	82.27%
							Enel Brasil SA	99.90%	
Enel Green Power São Micael 02 SA (formerly Enel Green Power São Gonçalo 13)	Teresina	BR	1,000	BRL		Line-by-line	Alba Energia Ltda	0.10%	82.27%
							Enel Brasil SA	99.90%	
Enel Green Power São Micael 03 SA (formerly Enel Green Power São Gonçalo 16 SA)	Teresina	BR	1,000	BRL		Line-by-line	Alba Energia Ltda	0.10%	82.27%
							Enel Brasil SA	99.90%	
Enel Green Power São Micael 04 SA (formerly Enel Green Power São Gonçalo 20 SA)	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power São Micael 05 SA	Teresina	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Services LLC	Wilmington	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Green Power Shu SAE in liquidation	Cairo	EG	15,000,000	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Singapore Pte Ltd	Singapore	SG	8,000,000	SGD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Solar Energy Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power Solar Metehara SpA	Rome	IT	50,000	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Solar Ngonye SpA (formerly Enel Green Power Africa Srl)	Rome	IT	50,000	EUR		Held for sale	EGP Matimba NewCo 2 Srl	100.00%	100.00%
Enel Green Power South Africa (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power South Africa 3 (Pty) Ltd	Gauteng	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Stampede Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Swift Wind LP	Calgary	CA	1,000	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Enel Green Power Tacaicó Eólica SA	Rio de Janeiro	BR	50,034,360	BRL		Line-by-line	Enel Brasil SA	97.87%	82.27%
							Enel Green Power Desenvolvimento Ltda	2.13%	
Enel Green Power Tefnut SAE in liquidation	Cairo	EG	15,000,000	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Turkey Enerji Yatirimlari Anonim Şirketi	Istanbul	TR	37,141,108	TRY		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power UB33 GmbH & Co. KG	Berlin	DE	75,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power UB43 GmbH & Co. KG	Berlin	DE	50,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power Ventos de Santa Ângela 1 SA	Teresina	BR	182,273,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 10 SA (formerly Enel Green Power Projetos 21)	Teresina	BR	122,100,849	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 11 SA (formerly Enel Green Power Projetos 23)	Teresina	BR	132,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 14 SA (formerly Enel Green Power Projetos 24)	Teresina	BR	198,554,956	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 15 SA (formerly Enel Green Power Projetos 25)	Teresina	BR	125,100,849	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 17 SA (formerly Enel Green Power Projetos 26)	Teresina	BR	152,022,288	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 19 SA (formerly Enel Green Power Projetos 27)	Teresina	BR	95,587,248	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 2 SA	Teresina	BR	299,922,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 20 SA (formerly Enel Green Power Projetos 28)	Teresina	BR	92,895,409	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 21 SA (formerly Enel Green Power Projetos 29)	Teresina	BR	85,179,410	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 3 SA (formerly Enel Green Power Projetos 4)	Teresina	BR	99,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 4 SA (formerly Enel Green Power Projetos 6)	Teresina	BR	100,732,205	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de Santa Ângela 5 SA (formerly Enel Green Power Projetos 7)	Teresina	BR	84,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 6 SA (formerly Enel Green Power Projetos 8)	Teresina	BR	83,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 7 SA (formerly Enel Green Power Projetos 9)	Teresina	BR	81,245,806	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Esperança Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 8 SA (formerly Enel Green Power Projetos 18)	Teresina	BR	91,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela 9 SA (formerly Enel Green Power Projetos 20)	Teresina	BR	118,786,606	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Ventos de Santa Ângela Energias Renováveis SA	0.00%	
Enel Green Power Ventos de Santa Ângela ACL 12 (formerly Enel Green Power Projetos 36)	Teresina	BR	94,727,364	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Ângela ACL 13 SA (formerly Enel Green Power Projetos 17 SA)	Teresina	BR	77,496,725	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Ângela ACL 16 SA (formerly Enel Green Power Projetos 38 SA)	Teresina	BR	89,917,563	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Ângela ACL 18 SA (formerly Enel Green Power Projetos 47 SA)	Teresina	BR	86,496,703	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 08 SA (formerly Enel Green Power Projetos 34 SA)	Rio de Janeiro	BR	173,154,501	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 1 SA (formerly Enel Green Power Fonte dos Ventos 1 SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de Santa Esperança 13 (formerly Enel Green Power Projetos 33 SA)	Rio de Janeiro	BR	221,832,010	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 15 SA	Rio de Janeiro	BR	152,494,014	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 16 SA (formerly Enel Green Power Projetos 35 SA)	Rio de Janeiro	BR	252,240,013	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 17 SA (formerly Enel Green Power Projetos 31 SA)	Rio de Janeiro	BR	252,240,013	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 21 SA (formerly Enel Green Power Projetos 37 SA)	Rio de Janeiro	BR	225,898,777	BRL		Line-by-line	Enel Brasil SA	98.67%	81.18%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 22 SA (formerly Enel Green Power Projetos 39 SA)	Rio de Janeiro	BR	124,625,154	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	





















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de Santa Esperança 25 SA (formerly Enel Green Power Projetos 40 SA)	Rio de Janeiro	BR	171,324,008	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 26 SA (formerly Enel Green Power Projetos 41 SA)	Rio de Janeiro	BR	344,251,126	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de Santa Esperança 3 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de Santa Esperança 7 SA (formerly Enel Green Power Lagedo Alto SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de Santa Esperança Participações SA (formerly Enel Green Power Cumaru 06 SA)	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de Santo Orestes 1 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de Santo Orestes 2 SA	Rio de Janeiro	BR	1,000	BRL		Line-by-line	Enel Brasil SA	99.90%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.10%	
Enel Green Power Ventos de São Roque 01 SA	Teresina	BR	383,436,551	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 02 SA	Teresina	BR	369,758,651	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 03 SA	Teresina	BR	262,576,701	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 04 SA	Teresina	BR	379,980,531	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 05 SA	Teresina	BR	362,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 06 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	99.96%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.04%	
Enel Green Power Ventos de São Roque 07 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 08 SA	Teresina	BR	337,473,758	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 11 SA	Teresina	BR	318,740,451	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 13 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de São Roque 16 SA	Teresina	BR	353,284,551	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 17 SA	Teresina	BR	298,952,101	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 18 SA	Teresina	BR	332,473,759	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 19 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 22 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 26 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Ventos de São Roque 29 SA	Teresina	BR	262,501,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Green Power Verwaltungs GmbH	Berlin	DE	25,000	EUR		Line-by-line	Enel Green Power Germany GmbH	100.00%	100.00%
Enel Green Power Vietnam LLC (Công ty TNHH Enel Green Power Việt Nam)	Ho Chi Minh City	VN	2,431,933	USD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Villorosi Srl	Rome	IT	1,200,000	EUR		Line-by-line	Enel Green Power Italia Srl	51.00%	51.00%
Enel Green Power Volta Grande SA (formerly Enel Green Power Projetos 1 SA)	Niterói	BR	565,756,528	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Zambia Limited	Lusaka	ZM	15,000	ZMW		Line-by-line	Enel Green Power Development Srl	1.00%	100.00%
							Enel Green Power South Africa (Pty) Ltd	99.00%	
Enel Green Power Zeus II - Delfina 8 SA	Rio de Janeiro	BR	77,939,980	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Green Power Zeus Sul 1 Ltda	Rio de Janeiro	BR	6,986,993	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Grids Srl	Rome	IT	10,100,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Guatemala SA	Guatemala City	GT	67,208,000	GTQ		Line-by-line	Enel Américas SA	0.00%	47.18%
							Enel Colombia SA ESP	100.00%	
Enel Holding Finance Srl	Rome	IT	10,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Iberia SRLU	Madrid	ES	336,142,500	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Innovation Hubs Srl	Rome	IT	1,100,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Insurance NV	Amsterdam	NL	60,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Investment Holding BV	Amsterdam	NL	1,000,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Italia SpA	Rome	IT	100,000,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Kansas Development Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Kansas LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Land HoldCo LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Logistics Srl	Rome	IT	1,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Minnesota Holdings LLC	Minneapolis	US	-	USD		Line-by-line	EGP Geronimo Holding Company Inc.	100.00%	100.00%
Enel Mobility Chile SpA	Santiago de Chile	CL	504,094,780	CLP		Line-by-line	Enel Chile SA	100.00%	64.93%
Enel Nevkan Inc.	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel North America Inc.	Andover	US	50	USD		Line-by-line	Enel SpA	100.00%	100.00%
Enel Operations Canada Ltd	Alberta	CA	1,000	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Panamá CAM Srl	Panama City	PA	3,001	USD		Line-by-line	Enel Américas SA	0.03%	47.19%
							Enel Colombia SA ESP	99.97%	
Enel Perú SAC	San Miguel	PE	5,361,789,105	SOL		Line-by-line	Enel Américas SA	100.00%	82.27%
Enel Produzione SpA	Rome	IT	1,800,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel QPSF (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Australia Trust	100.00%	50.00%
Enel Renewable Srl	Panama City	PA	40,320	USD		Line-by-line	Enel Colombia SA ESP	0.79%	47.19%
							Enel Panamá CAM Srl	99.21%	
Enel Rinnovabile SA de Cv	Mexico City	MX	12,645,490,022	MXN		Line-by-line	Enel Green Power Global Investment BV	100.00%	100.00%
							Enel Green Power México S de RL de Cv	0.00%	
Enel Roadrunner Solar Project Holdings II LLC	Andover	US	-	USD		Line-by-line	Enel Green Power Roadrunner Solar Project Holdings II LLC	100.00%	100.00%
Enel Roadrunner Solar Project Holdings LLC	Dover	US	100	USD		Line-by-line	Enel Green Power Roadrunner Solar Project Holdings LLC	100.00%	100.00%
Enel Salt Wells LLC	Fallon	US	-	USD		Held for sale	Enel Geothermal LLC	100.00%	100.00%
Enel Services México SA de Cv	Mexico City	MX	6,339,849	MXN		Line-by-line	Enel Green Power México S de RL de Cv	46.27%	100.00%
							Enel Green Power SpA	53.73%	
							Enel Guatemala SA	0.00%	
							Enel Rinnovabile SA de Cv	0.00%	
Enel Sole Srl	Rome	IT	4,600,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Soluções Energéticas Ltda	Rio de Janeiro	BR	42,863,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Enel Stillwater LLC	Wilmington	US	-	USD		Held for sale	Enel Geothermal LLC	100.00%	100.00%









Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Surprise Valley LLC	Wilmington	US	-	USD		Held for sale	Enel Kansas LLC	100.00%	100.00%
Enel Texkan Inc.	Wilmington	US	100	USD		Line-by-line	Chi Power Inc.	100.00%	100.00%
Enel Trading Argentina Srl	Buenos Aires	AR	14,012,000	ARS		Line-by-line	Enel Américas SA Enel Argentina SA	55.00% 45.00%	82.26%
Enel Trading Brasil SA	Rio de Janeiro	BR	54,280,312	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Trading North America LLC	Wilmington	US	10,000,000	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Uruguay SA	Montevideo	UY	20,000	UYU	 	Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel Vayu (Project 2) Private Limited	Gurugram	IN	45,000,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Enel Wind Project (Amberl) Private Limited	New Delhi	IN	5,000,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Enel X Advisory Services Germany GmbH	Frankfurt	DE	50,000	EUR		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Enel X Advisory Services Japan GK	Tokyo	JP	100,000,000	JPY		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Enel X Advisory Services North America Inc.	Boston	US	-	USD		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Enel X Advisory Services Srl	Rome	IT	-	EUR		Line-by-line	Enel X Srl	100.00%	100.00%
Enel X Advisory Services UK Limited	London	GB	30,000	GBP		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Enel X Advisory Services USA LLC	Boston	US	-	USD		Line-by-line	Enel X Advisory Services North America Inc.	100.00%	100.00%
Enel X Arecibo LLC	Boston	US	-	USD	 	Line-by-line	Enel X Project MP Holdings LLC	100.00%	100.00%
Enel X Argentina SAU	Buenos Aires	AR	127,800,000	ARS	 	Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Asputeck Ave. Project LLC	Boston	US	-	USD	 	Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Australia Holding (Pty) Ltd	Melbourne	AU	45,424,578	AUD		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Australia (Pty) Ltd	Melbourne	AU	24,209,880	AUD		Line-by-line	Energy Response Holdings (Pty) Ltd	100.00%	100.00%
Enel X Battery Storage Limited Partnership	Oakville	CA	10,000	CAD	 	Line-by-line	Enel X Canada Holding Inc. Enel X Canada Ltd	0.01% 99.99%	100.00%
Enel X Beech Road Project LLC	Dover	US	100	USD		Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Brasil Gerenciamento de Energia Ltda	Sorocaba	BR	5,538,403	BRL		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Enel X Brasil SA	São Paulo	BR	766,725,892	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enel X Canada Holding Inc.	Oakville	CA	1,000	CAD	 	Line-by-line	Enel X Canada Ltd	100.00%	100.00%
Enel X Canada Ltd	Mississauga	CA	1,000	CAD	 	Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel X Chile SpA	Santiago de Chile	CL	2,837,737,149	CLP	 	Line-by-line	Enel Chile SA	100.00%	64.93%
Enel X College Ave. Project LLC	Boston	US	-	USD	 	Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X Colombia SAS ESP	Bogotá	CO	230,368,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%


Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel X Cosgray Road Project LLC	Dover	US	100	USD	✕	Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Demand Response SA	São Paulo	BR	2,000,000	BRL	✕	Line-by-line	Enel X Brasil SA	100.00%	82.27%
Enel X Demand Response LLC	Boston	US	100	USD	✕	Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Federal LLC	Boston	US	5,000	USD	✕🏠	Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Finance Partner LLC	Boston	US	100	USD	✕🏠	Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Germany GmbH	Berlin	DE	25,000	EUR	✕	Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Hayden Rowe St. Project LLC	Boston	US	100	USD	✕🏠	Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X International Srl	Rome	IT	100,000	EUR	✕	Line-by-line	Enel X Srl	100.00%	100.00%
Enel X Ireland Limited	Dublin	IE	10,841	EUR	✕	Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Italia Srl	Rome	IT	200,000	EUR	✕	Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel X Japan KK	Tokyo	JP	1,030,000,000	JPY	✕	Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X KOMIPO Solar Limited	Seoul	KR	11,054,000,000	KRW	✕	Line-by-line	Enel X Korea Limited	80.00%	80.00%
Enel X Korea Limited	Seoul	KR	11,800,000,000	KRW	✕	Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Las Piedras LLC	Boston	US	-	USD	✕🏠	Line-by-line	Enel X Pr Holdings LLC	100.00%	100.00%
Enel X MA Holdings LLC	Boston	US	100	USD	✕🏠	Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X MA PV Portfolio 1 LLC	Boston	US	-	USD	✕	Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X MA PV Portfolio 2 LLC	Boston	US	-	USD	✕🏠	Line-by-line	Enel X Project MP Holdings LLC	100.00%	100.00%
Enel X MA PV Portfolio 3 LLC	Boston	US	-	USD	✕	Line-by-line	Enel X Project MP Holdings LLC	100.00%	100.00%
Enel X México S de RL de Cv	Mexico City	MX	264,303,595	MXN	✕	Line-by-line	Enel Green Power México S de RL de Cv	0.00%	100.00%
							Enel X International Srl	100.00%	
Enel X Mobilidade Urbana SA	São Paulo	BR	163,642,000	BRL	✕🏠	Line-by-line	Enel X Brasil SA	100.00%	82.27%
Enel X Morrissey Blvd. Project LLC	Boston	US	100	USD	✕🏠	Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X New Zealand Limited	Wellington	NZ	313,606	AUD	✕🏠	Line-by-line	Energy Response Holdings (Pty) Ltd	100.00%	100.00%
Enel X Newton Court Project LLC	Boston	US	10,000	USD	✕	Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X North America Inc.	Boston	US	1,000	USD	👤✕🏠	Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel X Perú SAC	San Miguel	PE	1,020,815	SOL	✕🏠	Held for sale	Enel Perú SAC	100.00%	82.27%
Enel X Polska Sp. Zo.o.	Warsaw	PL	12,275,150	PLN	✕	Line-by-line	Enel X Ireland Limited	100.00%	100.00%
Enel X Pr Holdings LLC	Boston	US	-	USD	✕	Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Project MP Holdings LLC	Boston	US	-	USD	✕	Line-by-line	Enel X Project MP Sponsor LLC	100.00%	100.00%
Enel X Project MP Sponsor LLC	Boston	US	-	USD	✕	Line-by-line	Enel X North America Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel X Rus LLC	Moscow	RU	8,000,000	RUB		Line-by-line	Enel X International Srl	99.00%	99.00%
Enel X Srl	Rome	IT	1,050,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel X Services India Private Limited	Mumbai	IN	1,497,290	INR		Line-by-line	Enel X International Srl	100.00%	100.00%
							Enel X North America Inc.	0.00%	
Enel X Storage LLC	Boston	US	100	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Taiwan Co. Ltd	Taipei	TW	271,100,000	TWD		Line-by-line	Enel X Ireland Limited	100.00%	100.00%
Enel X UK Limited	London	GB	32,626	GBP		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Warner Road Project LLC	Dover	US	100	USD		Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Way (Shanghai) Co. Ltd	Shanghai	CN	10,500,000	CNY		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way Brasil SA	Rio de Janeiro	BR	20,045,337	BRL		Line-by-line	Enel Brasil SA	20.00%	96.45%
							Enel X Way Srl	80.00%	
Enel X Way Canada Holding Ltd	Vancouver	CA	-	CAD		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way Chile SpA	Santiago de Chile	CL	14,229,030,071	CLP		Line-by-line	Enel Chile SA	49.00%	82.81%
							Enel X Way Srl	51.00%	
Enel X Way Colombia SAS	Bogotá	CO	15,036,000,000	COP		Line-by-line	Enel Colombia SA ESP	40.00%	78.87%
							Enel X Way Srl	60.00%	
Enel X Way France SAS	Paris	FR	6,101,000	EUR		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way Germany GmbH	Berlin	DE	25,000	EUR		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way Italia Srl	Rome	IT	5,000,000	EUR		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way México SA de Cv	Mexico City	MX	6,479,171	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.00%	100.00%
							Enel X Way Srl	100.00%	
Enel X Way North America Inc.	San Carlos	US	-	USD		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way Perú SAC	Lima	PE	1,561,900	SOL		Line-by-line	Enel Perú SAC	20.00%	96.45%
							Enel X Way Srl	80.00%	
Enel X Way Srl	Rome	IT	6,026,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel X Way UK Limited	London	GB	1	GBP		Line-by-line	Enel X Way Srl	100.00%	100.00%
Enel X Way USA LLC	San Carlos	US	-	USD		Line-by-line	Enel X Way North America Inc.	100.00%	100.00%
Enel X Wood St. Project LLC	Boston	US	-	USD		Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
Enel X Woodland Solar Project LLC	Boston	US	-	USD		Line-by-line	Enel X Project MP Holdings LLC	100.00%	100.00%
Enelpower Contractor and Development Saudi Arabia Ltd	Riyadh	SA	5,000,000	SAR		Line-by-line	Enelpower Srl	51.00%	51.00%
Enelpower do Brasil Ltda	Rio de Janeiro	BR	5,689,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Enelpower Srl	Milan	IT	2,000,000	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Energética Monzón SAC	San Miguel	PE	118,321,846	SOL		Held for sale	Enel Generación Perú SAA	100.00%	71.54%
							Enel Perú SAC	0.00%	










Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Energía Base Natural SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energía Ceuta XXI Comercializadora de Referencia SAU	Ceuta	ES	65,000	EUR		Line-by-line	Endesa Energía SAU	100.00%	70.12%
Energía Eólica Ábrego SLU	Madrid	ES	3,576	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energía Eólica Galerna SLU	Madrid	ES	3,413	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energía Eólica Gregal SLU	Madrid	ES	3,250	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energía Global de México (Enermex) SA de Cv	Mexico City	MX	50,000	MXN		Line-by-line	Enel Green Power SpA	99.00%	99.00%
Energía Limpia de Amistad SA de Cv	Mexico City	MX	33,452,769	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Energía Limpia de Palo Alto SA de Cv	Mexico City	MX	673,583,489	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Energía Limpia de Puerto Libertad S de RL de Cv	Mexico City	MX	2,953,980	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.01%	100.00%
							Enel Rinnovabile SA de Cv	99.99%	
Energía Marina SpA	Santiago de Chile	CL	2,404,240,000	CLP		Equity	Enel Green Power Chile SA	25.00%	16.23%
Energía Neta Sa Caseta Llucmajor SLU	Palma de Mallorca	ES	9,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energía XXI Comercializadora de Referencia SLU	Madrid	ES	2,000,000	EUR		Line-by-line	Endesa Energía SAU	100.00%	70.12%
Energía y Naturaleza SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energías Alternativas del Sur SL	Las Palmas de Gran Canaria	ES	546,919	EUR		Line-by-line	Enel Green Power España SLU	54.95%	38.53%
Energía de Aragón I SLU	Zaragoza	ES	3,200,000	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Energía de Graus SL	Zaragoza	ES	1,298,160	EUR		Line-by-line	Enel Green Power España SLU	66.67%	46.74%
Energías Especiales de Careón SA	Santiago de Compostela	ES	270,450	EUR		Line-by-line	Enel Green Power España SLU	97.00%	68.01%
Energías Especiales del Alto Ulla SAU	Madrid	ES	9,210,840	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Energías Especiales del Bierzo SA	Torre del Bierzo	ES	1,635,000	EUR		Equity	Enel Green Power España SLU	50.00%	35.06%
Energías Limpias de Carmona SL	Seville	ES	7,000	EUR		Equity	Enviatos Promoción I SLU	6.25%	13.15%
							Enviatos Promoción II SLU	6.25%	
							Enviatos Promoción III SLU	6.25%	
Energías Renovables La Mata SA de Cv	Mexico City	MX	3,011,133,575	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.50%	100.00%
							Enel Rinnovabile SA de Cv	0.50%	
Energie Electrique de Tahaddart SA	Tangiers	MA	306,160,000	MAD		Equity	Endesa Generación SAU	32.00%	22.44%
Energotel AS	Bratislava	SK	2,191,200	EUR		-	Slovenské elektrárne AS	20.00%	6.60%


Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Energy Podium Private Company	Katerini Pieria	GR	4,001	EUR		-	Enel Green Power Hellas Supply Single Member SA	0.02%	0.01%
Energy Response Holdings (Pty) Ltd	Melbourne	AU	52,128,517	AUD		Line-by-line	Enel X Australia Holding (Pty) Ltd	100.00%	100.00%
EnergyQ1BESS Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
EnerNOC GmbH	Munich	DE	25,000	EUR		Line-by-line	Enel X North America Inc.	100.00%	100.00%
EnerNOC Ireland Limited	Dublin	IE	10,589	EUR		Line-by-line	Enel X Ireland Limited	100.00%	100.00%
EnerNOC UK II Limited	London	GB	21,000	GBP		Line-by-line	Enel X UK Limited	100.00%	100.00%
Enigma Green Power 1 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Entech Utility Service Bureau Inc.	Lutherville	US	1,500	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enviatos Promoción I SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Enviatos Promoción II SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Enviatos Promoción III SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Enviatos Promoción XX SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Eojin Wind Power Co. Ltd	Seoul	KR	301,000,000	KRW		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Eólica Valle del Ebro SA	Zaragoza	ES	3,561,343	EUR		Line-by-line	Enel Green Power España SLU	50.50%	35.41%
Eólica Zopiloapan SA de Cv	Mexico City	MX	1,877,201,544	MXN		Line-by-line	Enel Green Power México S de RL de Cv	56.98%	100.00%
							Enel Green Power Partecipazioni Speciali Srl	43.02%	
Eólicas de Agaete SL	Las Palmas de Gran Canaria	ES	240,400	EUR		Line-by-line	Enel Green Power España SLU	80.00%	56.09%
Eólicas de Fuencaliente SA	Las Palmas de Gran Canaria	ES	216,360	EUR		Line-by-line	Enel Green Power España SLU	55.00%	38.56%
Eólicas de Fuerteventura AIE	Puerto del Rosario	ES	4,558,427	EUR		Equity	Enel Green Power España SLU	40.00%	28.05%
Eólicas de la Patagonia SA	Buenos Aires	AR	480,930	ARS		Equity	Enel Green Power España SLU	50.00%	35.06%
Eólicas de Lanzarote SL	Las Palmas de Gran Canaria	ES	1,758,226	EUR		Equity	Enel Green Power España SLU	40.00%	28.05%
Eólicas de Tenerife AIE	Santa Cruz de Tenerife	ES	420,708	EUR		Equity	Enel Green Power España SLU	50.00%	35.06%
Eólicos de Tirajana SL	Las Palmas de Gran Canaria	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	60.00%	42.07%
Epresa Energía SA	Puerto Real	ES	2,500,000	EUR		Equity	Endesa SA	50.00%	35.06%
Ermis 2 Energieiaki Private Company	Grevena	GR	1,002	EUR		Equity	Enel Green Power Hellas SA	0.10%	0.05%
E-Solar 2 Srl	Rome	IT	2,500	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%




Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
E-Solar Srl	Rome	IT	2,500	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Essaouira Wind Farm	Casablanca	MA	300,000	MAD		Equity	Nareva Enel Green Power Morocco SA	70.00%	35.00%
Estonian Solar PPA LLC	Andover	US	1	USD		Line-by-line	EGP North America PPA LLC	100.00%	100.00%
European Energy Exchange AG	Leipzig	DE	40,050,000	EUR		-	Enel Global Trading SpA	2.38%	2.38%
EV Gravitational Energy Storage LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Evacuación Carmona 400-220 kV Renovables SL	Seville	ES	10,003	EUR		Equity	Enviatos Promoción I SLU	3.13%	6.58%
							Enviatos Promoción II SLU	3.13%	
							Enviatos Promoción III SLU	3.13%	
Evolution Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Ewiva Srl	Milan	IT	1,000,000	EUR		Equity	Enel X Way Srl	50.00%	50.00%
Expedition Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Explorer Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Explorer Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Explotaciones Eólicas de Escucha SA	Zaragoza	ES	3,505,000	EUR		Line-by-line	Enel Green Power España SLU	70.00%	49.08%
Explotaciones Eólicas el Puerto SA	Zaragoza	ES	3,230,000	EUR		Line-by-line	Enel Green Power España SLU	73.60%	51.61%
Explotaciones Eólicas Santo Domingo de Luna SA	Zaragoza	ES	100,000	EUR		Line-by-line	Enel Green Power España SLU	51.00%	35.76%
Explotaciones Eólicas Saso Plano SA	Zaragoza	ES	5,488,500	EUR		Line-by-line	Enel Green Power España SLU	65.00%	45.58%
Explotaciones Eólicas Sierra Costanera SA	Zaragoza	ES	8,046,800	EUR		Line-by-line	Enel Green Power España SLU	90.00%	63.10%
Explotaciones Eólicas Sierra la Virgen SA	Zaragoza	ES	4,200,000	EUR		Line-by-line	Enel Green Power España SLU	90.00%	63.10%
Falls Park Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Farrier Station Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Fayette Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Fazenda Aroeira Empreendimento de Energia Ltda	Rio de Janeiro	BR	2,362,046	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Fence Post Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Fence Post Solar Holdings LLC	100.00%	100.00%
Fence Post Solar Project LLC	Andover	US	-	USD		Line-by-line	Fence Post Solar Holdings LLC	100.00%	100.00%
Fenner Wind Holdings LLC	Dover	US	100	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Field Day Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Finocchiara Solar Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Finsec Lab Ltd	Tel Aviv	IL	100	ILS		Held for sale	Enel X Srl	30.00%	30.00%
Flagpay Srl	Milan	IT	10,000	EUR		Equity	Mooney SpA	100.00%	50.00%
Flat Rock Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Flat Rocks Girgarre Cohuna Finco (Pty) Ltd	Sydney	AU	120	AUD		Equity	Cohuna Solar Farm Trust	33.33%	50.00%
							Flat Rocks One Wind Farm Trust	33.33%	
							Girgarre Solar Farm Trust	33.33%	
Flat Rocks One Wind Farm (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Flat Rocks One Holding (Pty) Ltd	100.00%	50.00%
Flat Rocks One Wind Farm Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Flat Rocks One Holding Trust	100.00%	50.00%
Flat Top Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Flint Rock Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Florence Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Flowing Spring Farms LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Fontibón ZE SAS	Bogotá	CO	434,359,750	COP		Equity	Bogotá ZE SAS	100.00%	9.44%
Fótons de Santo Anchieta Energias Renováveis SA	Rio de Janeiro	BR	577,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Fotovoltaica Yuncilllos SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Fourmile Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Fox Run Energy Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Franklinton Farm LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Freedom Energy Storage LLC	Andover	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Front Marítim del Besòs SL	Barcelona	ES	9,000	EUR		Equity	Endesa Generación SAU	61.37%	43.03%
Frontiersman Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
FRV Corchitos I SLU	Madrid	ES	75,800	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRV Corchitos II Solar SLU	Madrid	ES	22,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRV Gibalbín - Jerez SLU	Madrid	ES	23,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%




Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
FRV Tarifa SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRV Villalobillos SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRV Zamora Solar 1 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRV Zamora Solar 3 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
FRWF Stage 1 (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Fundamental Recognized Systems SLU	Andorra	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Furatena Solar 1 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Ganado Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Ganado Solar Holdings LLC	100.00%	100.00%
Ganado Solar LLC	Andover	US	-	USD		Line-by-line	Ganado Solar Holdings LLC	100.00%	100.00%
Ganado Storage LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Garob Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	100	ZAR		Equity	Enel Green Power RSA 2 (RF) (Pty) Ltd	55.00%	2750%
Gas y Electricidad Generación SAU	Palma de Mallorca	ES	213,775,700	EUR		Line-by-line	Endesa Generación SAU	100.00%	70.12%
Gauley Hydro LLC	Wilmington	US	-	USD		Equity	GRPP Holdings LLC	100.00%	50.00%
Gauley River Management LLC	Willison	US	1	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Generadora de Occidente SA	Guatemala City	GT	16,262,000	GTQ		Line-by-line	Enel Colombia SA ESP	99.00%	47.18%
							Enel Guatemala SA	1.00%	
Generadora Montecristo SA	Guatemala City	GT	3,820,000	GTQ		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
							Enel Guatemala SA	0.00%	
Generadora Solar Austral SA	Panama City	PA	10,000	USD		Line-by-line	Enel Panamá CAM Srl	100.00%	47.19%
Generadora Solar de Occidente SA	Panama City	PA	10,000	USD		Line-by-line	Enel Panamá CAM Srl	100.00%	47.19%
Generadora Solar El Puerto SA	Panama City	PA	10,000	USD		Line-by-line	Enel Panamá CAM Srl	100.00%	47.19%
Geotérmica del Norte SA	Santiago de Chile	CL	326,577,419,702	CLP		Line-by-line	Enel Green Power Chile SA	84.59%	54.92%
Gibson Bay Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	60.00%	60.00%
Girgarre Solar Farm (Pty) Ltd	Sydney	AU	-	AUD		Equity	Enel Green Power Girgarre Holdings (Pty) Ltd	100.00%	50.00%
Girgarre Solar Farm Trust	Sydney	AU	10	AUD		Equity	Enel Green Power Girgarre Trust	100.00%	50.00%
Glass Top Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Global Commodities Holdings Limited	London	GB	4,042,375	GBP		-	Enel Global Trading SpA	4.68%	4.68%



Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Globyte SA	San José	CR	910,000	CRC		-	Enel Costa Rica CAM SA	10.00%	4.72%
Gloucester Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
GNL Chile SA	Santiago de Chile	CL	3,026,160	USD		Equity	Enel Generación Chile SA	33.33%	20.25%
Golden Terrace Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Goodwell Wind Project LLC	Wilmington	US	-	USD		Equity	Origin Goodwell Holdings LLC	100.00%	10.00%
Goose Foot Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Gooseneck Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Gorona del Viento El Hierro SA	Santa Cruz de Tenerife	ES	30,936,736	EUR		Equity	Unión Eléctrica de Canarias Generación SAU	23.21%	16.28%
Grand Prairie Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Gridspertise Iberia SL	Madrid	ES	3,000	EUR		Equity	Gridspertise Srl	100.00%	50.00%
Gridspertise India Private Limited	Gurugram	IN	19,759,130	INR		Equity	Gridspertise Srl	100.00%	50.00%
Gridspertise Latam SA	São Paulo	BR	2,010,000	BRL		Equity	Enel Brasil SA	0.00%	50.00%
							Gridspertise Srl	100.00%	
Gridspertise Srl	Rome	IT	7,500,000	EUR		Equity	Enel Grids Srl	50.00%	50.00%
Gridspertise LLC	Dover	US	160,000	USD		Equity	Gridspertise Srl	100.00%	50.00%
Grineo Gestión Circular SL	Ponferrada	ES	3,000	EUR		Equity	Endesa Generación SAU	35.00%	24.54%
GRPP Holdings LLC	Andover	US	2	USD		Equity	EGPNA REP Holdings LLC	50.00%	50.00%
Guadarranque Solar 4 SLU	Seville	ES	3,006	EUR		Line-by-line	Endesa Generación II SAU	100.00%	70.12%
Guayepo Solar SAS	Bogotá	CO	1,000,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Guir Wind Farm	Casablanca	MA	10,000	MAD		Line-by-line	Enel Green Power Morocco Sarl	99.90%	99.90%
GulfStar Power LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Gusty Hill Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Hadley Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Hamilton County Solar Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Hamlet Mill Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hansborough Valley Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%














Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Harmony Plains Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Hastings Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Heartland Farms Wind Project LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hellas Res Holdings Single Member Societe Anonyme	Maroussi	GR	478,746,698	EUR		Equity	Hella Res Societe Anonyme	100.00%	50.00%
Hella Res Societe Anonyme	Maroussi	GR	491,738,436	EUR		Equity	Enel Green Power SpA	50.00%	50.00%
Hidroeléctrica de Catalunya SLU	Barcelona	ES	126,210	EUR		Line-by-line	Endesa SA	100.00%	70.12%
Hidroeléctrica de Oural SL	A Coruña	ES	1,608,200	EUR		Equity	Enel Green Power España SLU	30.00%	21.03%
Hidroelectricidad del Pacífico S de RL de Cv	Colima	MX	100,000,000,000	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Hidroflamicell SL	Barcelona	ES	78,120	EUR		Line-by-line	Hidroeléctrica de Catalunya SLU	75.00%	52.59%
Hidroinvest SA	Buenos Aires	AR	55,312,093	ARS		Line-by-line	Enel Américas SA	41.94%	79.55%
							Enel Argentina SA	54.76%	
HIF H2 SpA	Santiago de Chile	CL	6,303,000	USD		Equity	Enel Green Power Chile SA	50.00%	32.46%
High Chaparral Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Lonesome Storage LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Lonesome Wind Holdings LLC	Wilmington	US	100	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Lonesome Wind Power LLC	Boston	US	100	USD		Line-by-line	High Lonesome Wind Holdings LLC	100.00%	100.00%
High Noon Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Street Corporation (Pty) Ltd	Melbourne	AU	2	AUD		Equity	Enel Green Power Australia (Pty) Ltd	100.00%	50.00%
Hilltopper Wind Holdings LLC	Wilmington	US	1,000	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hispano Generación de Energía Solar SL	Jerez de los Caballeros	ES	3,500	EUR		Line-by-line	Enel Green Power España SLU	51.00%	35.76%
Honey Stone Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Honeybee Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hope Creek LLC	Crestview	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Hope Ridge Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Horse Run Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Horse Wrangler Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Hubject GmbH	Berlin	DE	65,943	EUR		-	Enel X Way Srl	12.50%	12.50%
Ice Tudela SL	Pozuelo de Alarcón	ES	3,000	EUR		-	Enel Green Power España SLU	5.12%	3.59%
Idalia Park Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Idrosicilia SpA	Milan	IT	22,520,000	EUR		Equity	Enel SpA	1.00%	1.00%
Iik Energía de Dzemul SA de Cv	Mexico City	MX	6,204,259	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.00%	100.00%
							Enel Rinnovabile SA de Cv	100.00%	
Ilary Energia Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Impofu Cluster Investment SPV (RF) (Pty) Ltd	Gauteng	ZA	2,000,000	ZAR		Equity	Enel Green Power RSA (Pty) Ltd	100.00%	50.00%
Infinitesun Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	96.74%	100.00%
							Enel Green Power SpA	3.26%	
Infraestructura de Evacuación Peñafior 220 kV SL	Madrid	ES	3,500	EUR		Equity	Enel Green Power España SLU	41.14%	28.85%
Infraestructuras Puerto Santa María 220 SL	Madrid	ES	3,000	EUR		Line-by-line	Puerto Santa María Energía I SLU	50.00%	70.12%
							Puerto Santa María Energía II SLU	50.00%	
Infraestructuras San Serván 220 SL	Madrid	ES	12,000	EUR		Equity	Enel Green Power España SLU	30.80%	21.60%
Infraestructuras San Serván Set 400 SL	Madrid	ES	90,000	EUR		Equity	Aranort Desarrollos SLU	6.41%	13.48%
							Baylio Solar SLU	6.41%	
							Furatena Solar 1 SLU	6.41%	
Ingwe Solar Power Plant (RF) (Pty) Ltd	Gauteng	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Inkolan Información y Coordinación de Obras AIE	Bilbao	ES	84,142	EUR		-	Edistribución Redes Digitales SLU	14.29%	10.02%
Instalaciones San Serván II 400 SL	Madrid	ES	11,026	EUR		Equity	Aranort Desarrollos SLU	7.94%	16.69%
							Baylio Solar SLU	7.94%	
							Furatena Solar 1 SLU	7.94%	
International Multimedia University Srl in bankruptcy	-	IT	24,000	EUR		-	Enel Italia SpA	13.04%	13.04%
Ipsomata DPGU Private Company	Heraklion, Crete	GR	5,000	EUR		-	Enel Green Power Hellas SA	0.02%	0.02%
Iris Bloom Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Iron Belt Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Iron Bull Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Isamu Ikeda Energia SA	Niterói	BR	16,474,476	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Italgest Energy (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%




















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Jack River LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Jackrabbit Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Jade Energia Ltda	Rio de Janeiro	BR	4,107,097	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Jaguito Solar 10 MW SA	Panama City	PA	10,000	USD		Line-by-line	Enel Panamá CAM Srl	100.00%	47.19%
Jessica Mills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Julia Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Junia Insurance Srl	Mosciano Sant'Angelo	IT	10,000	EUR		Equity	Mooney Group SpA	100.00%	50.00%
Juniper Canyon Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Keeneys Creek Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Ken Renewables India Private Limited	Gurugram	IN	12,100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
King Branch Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Kingston Energy Storage LLC	Wilmington	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Kino Contractor SA de Cv	Mexico City	MX	1,000,100	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	100.00% 0.00%	100.00%
Knickerbocker Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Kokkinari DPGU Private Company	Heraklion, Crete	GR	15,000	EUR		-	Enel Green Power Hellas SA	0.01%	0.01%
Korea Line Corporation	Seoul	KR	122,132,520,000	KRW		-	Enel Global Trading SpA	0.25%	0.25%
Koukos Energy Private Company	Athens	GR	4,003	EUR		-	Enel Green Power Hellas SA Enel Green Power Hellas Supply Single Member SA	0.07% 0.02%	0.01%
Kromschroeder SA	L'Hospitalet de Llobregat	ES	627,126	EUR		Equity	Endesa Medios y Sistemas SLU	29.26%	20.52%
Kutlwano Solar Power Plant (RF) (Pty) Ltd	Gauteng	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Lake Emily Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Lake Pulaski Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Land Run Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Land Run Wind Project LLC	Dover	US	100	USD		Line-by-line	Sundance Wind Project LLC	100.00%	100.00%























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Lantana Springs Hydrogen Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lantern Trail Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lariat Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lasso Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Latamsolar Energías Renovables SAS	Bogotá	CO	8,000,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Latamsolar Fotovoltaica Fundación SAS	Bogotá	CO	8,000,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Latamsolar Fotovoltaica Sahagun SAS	Bogotá	CO	8,000,000	COP		Line-by-line	Enel Colombia SA ESP	100.00%	47.18%
Lathrop Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Lava Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lawrence Creek Solar LLC	Minneapolis	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Layexx Security Ltd	Tel Aviv	IL	20,112	ILS		-	Finsec Lab Ltd	3.00%	0.90%
Lebanon Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Legacy Blossom Storage Project Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Storage Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Lemonade Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Lerato Solar Power Plant (RF) (Pty) Ltd	Gauteng	ZA	1,000	ZAR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Liberty Energy Storage LLC	Andover	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Libyan Italian Joint Company - Azienda Libico-Italiana (A.L.I.)	Tripoli	LY	1,350,000	EUR		-	Enelpower Srl	0.33%	0.33%
Libra Flexsys Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Light Cirrus Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Lily Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Lily Solar Holdings LLC	100.00%	100.00%
Lily Solar LLC	Andover	US	-	USD		Line-by-line	Lily Solar Holdings LLC	100.00%	100.00%
Lindahi Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	EGPNA Preferred Wind Holdings LLC	100.00%	100.00%
Lindahi Wind Project LLC	Wilmington	US	-	USD		Line-by-line	Lindahi Wind Holdings LLC	100.00%	100.00%
Little Elk Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Little Elk Wind Project LLC	Wilmington	US	-	USD		Line-by-line	Little Elk Wind Holdings LLC	100.00%	100.00%
Little Salt Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Litus Energy Storage LLC	Andover	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Lone Pine Wind Inc.	Alberta	CA	-	CAD		-	Enel Green Power Canada Inc.	10.00%	10.00%
Lone Pine Wind Project LP	Alberta	CA	-	CAD		Equity	Enel Green Power Canada Inc.	10.00%	10.00%
Lucas Sostenible SL	Madrid	ES	1,099,775	EUR		Equity	Enel Green Power España SLU	35.29%	24.74%
Luminary Highlands Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Luz de Angra Energia SA	Rio de Janeiro	BR	14,304,790	BRL		Line-by-line	Enel X Brasil SA	51.00%	41.96%
Luz de Caruaru Energia SA	Rio de Janeiro	BR	21,027,600	BRL		Line-by-line	Enel X Brasil SA	51.00%	41.96%
Luz de Cataguases SA	Cataguases	BR	4,800,000	BRL		Line-by-line	Enel X Brasil SA	60.00%	49.36%
Luz de Caxias do Sul SA	Rio de Janeiro	BR	31,017,000	BRL		Line-by-line	Enel X Brasil SA	80.00%	65.82%
Luz de Itanhaém SA	Itanhaém	BR	22,700,000	BRL		Line-by-line	Enel X Brasil SA	60.00%	49.36%
Luz de Jaboatão Energia SA	Rio de Janeiro	BR	21,114,200	BRL		Line-by-line	Enel X Brasil SA	51.00%	41.96%
Luz de Macapá Energia SA	Rio de Janeiro	BR	24,338,000	BRL		Line-by-line	Enel X Brasil SA	51.00%	41.96%
Luz de Ponta Grossa SA	Rio de Janeiro	BR	17,889,000	BRL		Line-by-line	Enel X Brasil SA	80.00%	65.82%
Maicor Wind Srl	Rome	IT	20,850,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Mansar Renewable Energy Private Limited	Gurgaon	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Maple Canada Solutions Holdings Ltd	-	CA	-	CAD		Equity	Enel X Canada Ltd	20.00%	20.00%
Maple Energy Solutions LP	-	CA	-	CAD		Equity	Enel X Canada Holding Inc.	20.00%	20.00%
Maple Run Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
María Renovables SL	Zaragoza	ES	3,000	EUR		Equity	Enel Green Power España SLU	45.36%	31.80%
Marshoy Energy Advisory Services Private Limited	Mumbai	IN	313,709,000	INR		Line-by-line	Enel X Advisory Services Srl	100.00%	100.00%
Marte Srl	Rome	IT	6,100,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Marudhar Wind Energy Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Más Energía S de RL de Cv	Mexico City	MX	61,873,926	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	66.67% 33.33%	100.00%























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Mason Jar Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Mason Mountain Wind Project LLC	Wilmington	US	-	USD		Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
Matrigenix (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%
Maty Energia Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
MC Solar I LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
McBride Wind Project LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Merit Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Metro Wind LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Mexicana de Hidroelectricidad Mexhidro S de RL de Cv	Mexico City	MX	181,728,901	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Mibgas SA	Madrid	ES	3,000,000	EUR		-	Endesa SA	1.35%	0.95%
Midelt Wind Farm SA	Casablanca	MA	145,000,000	MAD		Equity	Nareva Enel Green Power Morocco SA	70.00%	35.00%
Millstone Junction Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Minglanilla Renovables 400 kV AIE	Valencia	ES	-	EUR		Proportional	Energía Base Natural SLU	4.79%	25.36%
							Energía Eólica Ábrego SLU	7.98%	
							Energía Eólica Galerna SLU	9.31%	
							Energía Eólica Gregal SLU	9.31%	
							Energía y Naturaleza SLU	4.79%	
Minicentrales Acequia Cinco Villas AIE	Ejea de los Caballeros	ES	3,346,993	EUR		-	Enel Green Power España SLU	5.39%	3.78%
Minicentrales del Canal de las Bardenas AIE	Ejea de los Caballeros	ES	1,202,000	EUR		-	Enel Green Power España SLU	15.00%	10.52%
Minicentrales del Canal Imperial-Gallur SL	Zaragoza	ES	1,820,000	EUR		Equity	Enel Green Power España SLU	36.50%	25.59%
Mira Energy (Pty) Ltd	Johannesburg	ZA	100	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%
Miranda Plataforma Logística SA	Miranda de Ebro	ES	1,800,000	EUR		-	Nuclenor SA	0.22%	0.08%
MO Land Holdings 1358 LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Monte Reina Renovables SL	Madrid	ES	4,000	EUR		Equity	FRV Zamora Solar 1 SLU	20.58%	14.43%
Montrose Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Moonbeam Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%




Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Mooney Group SpA	Milan	IT	10,050,000	EUR	✕	Equity	Enel X Srl	50.00%	50.00%
Mooney SpA	Milan	IT	87,833,331	EUR	✕	Equity	Mooney Group SpA	100.00%	50.00%
Mooney Servizi SpA	Milan	IT	8,549,999	EUR	✕	Equity	Mooney Group SpA	100.00%	50.00%
Morgan Branch Solar I LLC	Andover	US	1	USD	🌿	Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Morning Light Energy Storage Project LLC	Andover	US	1	USD	🌿	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Mount Pleasant Energy Storage 1 LLC	Boston	US	-	USD	✕	Line-by-line	Enel X North America Inc.	100.00%	100.00%
Mountrail Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
MPG Solar I LLC	Andover	US	1	USD	🌿	Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Mucho Viento Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Mule Bit Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Enel Kansas LLC	100.00%	100.00%
Muskegon County Solar Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Muskegon Green Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Mustang Run Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
MyCicero Srl	Senigallia	IT	1,142,857	EUR	✕	Equity	Mooney Servizi SpA	30.00%	39.50%
							Pluservice Srl	70.00%	
Nabb Solar I LLC	Andover	US	1	USD	🌿	Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Napolean Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Nareva Enel Green Power Morocco SA	Casablanca	MA	98,750,000	MAD	🌿	Equity	Enel Green Power Morocco Sàrl	50.00%	50.00%
Neugemacht GmbH	Frankfurt	DE	25,000	EUR	🏠	Equity	Gridspertise Srl	51.00%	25.50%
Nevkan Renewables LLC	Wilmington	US	-	USD	🌿	Line-by-line	Enel Nevkan Inc.	100.00%	100.00%
New York Distributed Storage Projects LLC	Boston	US	-	USD	✕🚚	Line-by-line	Enel X North America Inc.	100.00%	100.00%
Ngonye Power Company Limited	Lusaka	ZM	10	ZMW	🌿	Held for sale	Enel Green Power Solar Ngonye SpA (formerly Enel Green Power Africa Srl)	80.00%	80.00%
Nojoli Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000	ZAR	🌿	Line-by-line	Enel Green Power South Africa (Pty) Ltd	60.00%	60.00%
North English Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
North Rock Wind LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Northland Wind Project LLC	Andover	US	1	USD	🌿	Line-by-line	Tradewind Energy Inc.	100.00%	100.00%













Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Northstar Wind Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Northwest Hydro LLC	Wilmington	US	-	USD		Line-by-line	Chi West LLC	100.00%	100.00%
Notch Butte Hydro Company Inc.	Wilmington	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Novolito Recuperación de Baterías SL	Ponferrada	ES	180,000	EUR		Equity	Endesa Generación SAU	45.00%	31.55%
Nuclenor SA	Valle de Tobalina	ES	5,406,000	EUR		Equity	Endesa Generación SAU	50.00%	35.06%
Nuove Energie Srl	Porto Empedocle	IT	5,204,029	EUR		Line-by-line	Enel Global Trading SpA	100.00%	100.00%
Nxuba Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Equity	Enel Green Power RSA 2 (RF) (Pty) Ltd	51.00%	25.50%
NYC Storage (353 Chester) SPE LLC	Wilmington	US	1	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Ochrana A Bezpecnost Se Sro	Kalná Nad Hronom	SK	33,194	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Olathe Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Old Sport Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Olivum PV Farm 01 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
OMIP - Operador do Mercado Ibérico (Portugal) SGPS SA	Lisbon	PT	2,610,000	EUR		-	Endesa Generación Portugal SA	5.00%	3.51%
Open Range Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Operador del Mercado Ibérico de Energía - Polo Español SA	Madrid	ES	1,999,998	EUR		-	Endesa SA	5.00%	3.51%
Operadora Distrital de Transporte SAS	Bogotá	CO	12,500,000,000	COP		Equity	Enel Colombia SA ESP	20.00%	9.44%
Orchid Acres Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Origin Goodwell Holdings LLC	Wilmington	US	-	USD		Equity	EGPNA Wind Holdings 1 LLC	100.00%	10.00%
Origin Wind Energy LLC	Wilmington	US	-	USD		Equity	Origin Goodwell Holdings LLC	100.00%	10.00%
Osage Wind Holdings LLC	Wilmington	US	100	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Osage Wind LLC	Wilmington	US	-	USD		Line-by-line	Osage Wind Holdings LLC	100.00%	100.00%
Ossining Energy Storage 1 LLC	Boston	US	-	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Oxagesa AIE in liquidation	Alcañiz	ES	6,010	EUR		Equity	Enel Green Power España SLU	33.33%	23.37%
Oyster Bay Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Equity	Enel Green Power RSA 2 (RF) (Pty) Ltd	55.00%	2750%
Padoma Wind Power LLC	Elida	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Painted Rose Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Palo Alto Farms Wind Project LLC	Dallas	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pampinus PV Farm 01 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Paradise Creek Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Paravento SL	Paradela	ES	3,006	EUR		Line-by-line	Enel Green Power España SLU	90.00%	63.10%
Parc Eòlic La Tossa-La Mola d'en Pascual SL	Madrid	ES	1,183,100	EUR		Equity	Enel Green Power España SLU	30.00%	21.03%
Parc Eòlic Los Aligars SL	Madrid	ES	1,313,100	EUR		Equity	Enel Green Power España SLU	30.00%	21.03%
Parco Eolico Monti Sicani Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Parque Amistad II SA de Cv	Mexico City	MX	2,589,177,005	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.50%	100.00%
							Enel Rinnovabile SA de Cv	99.50%	
Parque Amistad III SA de Cv	Mexico City	MX	1,706,287,200	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.50%	100.00%
							Enel Rinnovabile SA de Cv	99.50%	
Parque Amistad IV SA de Cv	Mexico City	MX	2,728,499,160	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.50%	100.00%
							Enel Rinnovabile SA de Cv	99.50%	
Parque Eólico A Capelada SLU	Santiago de Compostela	ES	5,857,704	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Parque Eólico Belmonte SA	Madrid	ES	120,400	EUR		Line-by-line	Enel Green Power España SLU	50.17%	35.17%
Parque Eólico BR-1 SA de Cv	Mexico City	MX	50,000	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.00%	25.50%
							Enel Rinnovabile SA de Cv	100.00%	
Parque Eólico Carretera de Arigana SA	Las Palmas de Gran Canaria	ES	1,007,000	EUR		Line-by-line	Enel Green Power España SLU	80.00%	56.09%
Parque Eólico de Barbanza SA	Santiago de Compostela	ES	3,606,073	EUR		Line-by-line	Enel Green Power España SLU	75.00%	52.59%
Parque Eólico de San Andrés SA	Santiago de Compostela	ES	552,920	EUR		Line-by-line	Enel Green Power España SLU	82.00%	57.50%
Parque Eólico de Santa Lucía SA	Las Palmas de Gran Canaria	ES	901,500	EUR		Line-by-line	Enel Green Power España SLU	65.67%	46.51%
							Parque Eólico de Santa Lucía SA	1.00%	
Parque Eólico Finca de Mogán SA	Santa Cruz de Tenerife	ES	3,810,340	EUR		Line-by-line	Enel Green Power España SLU	90.00%	63.10%
Parque Eólico Montes de las Navas SA	Madrid	ES	6,540,000	EUR		Line-by-line	Enel Green Power España SLU	75.50%	52.94%
Parque Eólico Muniesa SLU	Madrid	ES	3,006	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Parque Eólico Palmas dos Ventos Ltda	Salvador	BR	4,096,626	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
							Enel Green Power Desenvolvimento Ltda	0.00%	
Parque Eólico Pampa SA	Buenos Aires	AR	477,139,364	ARS		Line-by-line	Enel Green Power SpA	100.00%	100.00%



Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Parque Eólico Punta de Teno SA	Santa Cruz de Tenerife	ES	528,880	EUR		Line-by-line	Enel Green Power España SLU	52.00%	36.46%
Parque Eólico Sierra del Madero SA	Madrid	ES	7,193,970	EUR		Line-by-line	Enel Green Power España SLU	58.00%	40.67%
Parque Salitrillos SA de Cv	Mexico City	MX	100	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Parque Solar Cauchari IV SA	San Salvador de Jujuy	AR	500,000	ARS		Line-by-line	Enel Green Power Argentina	100.00%	82.27%
Parque Solar Don José SA de Cv	Mexico City	MX	100	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Parque Solar Villanueva Tres SA de Cv	Mexico City	MX	306,024,631	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Parque Talinay Oriente SA	Santiago de Chile	CL	66,092,165,173	CLP		Line-by-line	Enel Green Power Chile SA	60.91%	78.64%
							Enel Green Power SpA	39.09%	
Pastis - Centro Nazionale per la ricerca e lo sviluppo dei materiali SCPA in liquidation	Brindisi	IT	2,065,000	EUR		-	Enel Italia SpA	1.14%	1.14%
Paynesville Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
PayTipper Network Srl	Cascina	IT	40,000	EUR		Equity	Mooney SpA	100.00%	50.00%
PDP Technologies Ltd	Kfar Saba	IL	1,129,252	ILS		-	Enel Grids Srl	4.75%	4.75%
Pearl Star Wind Limited Partnership	Calgary	CA	100	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Pebble Stream Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pegop - Energia Eléctrica SA	Pego	PT	50,000	EUR		Equity	Endesa Generación Portugal SA	0.02%	35.06%
							Endesa Generación SAU	49.98%	
PH Chucás SA	San José	CR	100,000	CRC		Line-by-line	Enel Costa Rica CAM SA	65.00%	30.67%
PH Don Pedro SA	San José	CR	100,001	CRC		Line-by-line	Enel Costa Rica CAM SA	33.44%	18.92%
							Globyte SA	66.54%	
PH Río Volcán SA	San José	CR	100,001	CRC		Line-by-line	Enel Costa Rica CAM SA	34.32%	19.29%
							Globyte SA	65.66%	
Piebold Hill Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pike Den Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pilesgrove Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Pincher Creek LP	Alberta	CA	-	CAD		Line-by-line	Enel Green Power Canada Inc.	50.50%	51.01%
							Pincher Creek Management Inc.	1.00%	
Pincher Creek Management Inc.	Calgary	CA	100	CAD		Line-by-line	Enel Green Power Canada Inc.	51.00%	51.00%
Pine Island Distributed Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%

















Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Playa Flat Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pluservice Srl	Senigallia	IT	450,000	EUR		Equity	Mooney Servizi SpA	70.00%	35.00%
Point Bar Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Point Rider Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Polka Dot Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pomerado Energy Storage LLC	Wilmington	US	1	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
PowerCrop Macchiareddu Srl	Russi	IT	100,000	EUR		Equity	PowerCrop SpA (formerly PowerCrop Srl)	100.00%	50.00%
PowerCrop Russi Srl	Russi	IT	100,000	EUR		Equity	PowerCrop SpA (formerly PowerCrop Srl)	100.00%	50.00%
PowerCrop SpA (formerly PowerCrop Srl)	Russi	IT	4,000,000	EUR		Equity	Enel Green Power Italia Srl	50.00%	50.00%
Prairie Rose Transmission LLC	Minneapolis	US	-	USD		Equity	Prairie Rose Wind LLC	100.00%	10.00%
Prairie Rose Wind LLC	Albany	US	-	USD		Equity	EGPNA REP Wind Holdings LLC	100.00%	10.00%
Primavera Energia SA	Niterói	BR	36,965,445	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Productive Solar Systems SLU	Andorra	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Productora de Energías SA	Barcelona	ES	60,101	EUR		Equity	Enel Green Power España SLU	30.00%	21.03%
Productora Eléctrica Urgellenca SA	La Seu d'Urgell	ES	8,400,000	EUR		-	Endesa SA	8.43%	5.91%
Progreso Solar 20 MW SA	Panama City	PA	10,000	USD		Line-by-line	Enel Panamá CAM Srl	100.00%	47.19%
Promociones Energéticas del Bierzo SLU	Madrid	ES	12,020	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Promotores Mudéjar 400 kV SL	Zaragoza	ES	3,000	EUR		Equity	Enel Green Power España SLU	24.75%	26.08%
							Renovables La Pedrera SLU	6.75%	
							Renovables Mediavilla SLU	5.69%	
Proveedora de Electricidad de Occidente S de RL de Cv	Mexico City	MX	89,708,835	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Proyectos Universitarios de Energías Renovables SL	Alicante	ES	27,000	EUR		Equity	Enel Green Power España SLU	33.33%	23.37%
Proyectos y Soluciones Renovables SAC	San Miguel	PE	1,000	SOL		Line-by-line	Enel Green Power Partecipazioni Speciali Srl	99.90%	99.98%
							Enel Perú SAC	0.10%	
PSG Energy Private Limited	-	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%


























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
PT Enel Green Power Optima Way Ratai	Jakarta	ID	10,002,740	USD		Line-by-line	Enel Green Power SpA	90.00%	90.00%
Puerto Santa María Energía I SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Puerto Santa María Energía II SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Pulida Energy (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	52.70%	52.70%
Pumpkin Vine Wind Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Quatiara Energia SA	Niterói	BR	13,766,119	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Queens Energy Storage LLC	Andover	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Quorn Park Solar Farm (Pty) Ltd	Sydney	AU	100	AUD		Equity	Enel Green Power Quorn Holding (Pty) Ltd	100.00%	50.00%
Quorn Park Solar Farm Trust	Sydney	AU	100	AUD		Equity	Enel Green Power Quorn Holding Trust	100.00%	50.00%
Raleigh Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Ranchland Solar Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Ranchland Wind Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Ranchland Wind Project II LLC	Andover	US	1	USD		Line-by-line	AzureRanchII Wind Holdings LLC	100.00%	100.00%
Ranchland Wind Project LLC	Andover	US	-	USD		Line-by-line	Rockhaven Ranchland Holdings LLC	100.00%	100.00%
Ranchland Wind Storage LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rattlesnake Creek Holdings LLC	Delaware	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rausch Creek Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
RC Wind Srl	Milan	IT	10,000	EUR		-	Enel Green Power Italia Srl	0.50%	0.50%
RE Arroyo LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Reaktortest Sro	Trnava	SK	66,389	EUR		-	Slovenské elektrárne AS	49.00%	16.17%
Rebuilding Agente Rehabilitador SL	Madrid	ES	250,000	EUR		Equity	Endesa X Servicios SLU	50.00%	35.06%
Red Cap Impofu (Pty) Ltd	Sandton	ZA	20,000,000	ZAR		Equity	Impofu Cluster Investment SPV (RF) (Pty) Ltd	100.00%	50.00%
Red Cap Impofu East (Pty) Ltd	Gauteng	ZA	35,059,068	ZAR		Equity	Impofu Cluster Investment SPV (RF) (Pty) Ltd	100.00%	50.00%
Red Cap Impofu West (Pty) Ltd	Gauteng	ZA	10,000	ZAR		Equity	Impofu Cluster Investment SPV (RF) (Pty) Ltd	100.00%	50.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Red Cardinal Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Red Centroamericana de Telecomunicaciones SA	Panama City	PA	2,700,000	USD		-	Enel SpA	11.11%	11.11%
Red Dirt Wind Holdings I LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Red Dirt Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Red Dirt Wind Project LLC	Dover	US	1	USD		Line-by-line	Red Dirt Wind Holdings LLC	100.00%	100.00%
Red Fox Wind Project LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Red Stag Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Red Top Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Red Yucca Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Regal Rising Solar Project Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Solar Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Ren Wave Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Renovables Andorra SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
							Baylio Solar SLU	6.24%	
							Dehesa de los Guadalupe Solar SLU	6.24%	
							Emintegral Cycle SLU	16.99%	
							Enel Green Power España SLU	22.20%	
Renovables Brocales 400 kV SL	Seville	ES	5,000	EUR		Equity	Furatena Solar 1 SLU	6.24%	44.98%
							Seguidores Solares Planta 2 SLU	6.24%	
							Emintegral Cycle SLU	33.02%	
							Enel Green Power España SLU	31.03%	
							Enel Colombia SA ESP	100.00%	47.18%
Renovables de Guatemala SA	Guatemala City	GT	1,924,465,600	GTQ		Line-by-line	Enel Guatemala SA	0.00%	
Renovables La Pedrera SLU	Zaragoza	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Renovables Manzanares 400 kV SL	Madrid	ES	5,000	EUR		Equity	Enel Green Power España SLU	27.86%	30.84%
							Stonewood Desarrollos SLU	16.12%	
Renovables Mediavilla SLU	Zaragoza	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Renovables Teruel SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Reservoir Falls Energy Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rhinestone Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Ribina Renovables 400 SL	Pozuelo de Alarcón	ES	3,000	EUR		Equity	Enel Green Power España SLU	40.21%	28.19%
River Mill Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
River Point Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Riverbend Farms Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Riverview LP	Alberta	CA	-	CAD		Line-by-line	Enel Green Power Canada Inc.	50.50%	51.01%
							Riverview Management Inc.	1.00%	
Riverview Management Inc.	Calgary	CA	100	CAD		Line-by-line	Enel Green Power Canada Inc.	51.00%	51.00%
Riverview Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Roadrunner Solar Project LLC	Andover	US	100	USD		Line-by-line	Enel Roadrunner Solar Project Holdings LLC	100.00%	100.00%
Roadrunner Storage LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rock Creek Wind Holdings I LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Rock Creek Wind Holdings II LLC	Dover	US	100	USD		Line-by-line	Rock Creek Wind Holdings LLC	100.00%	100.00%
Rock Creek Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	EGPNA Preferred Wind Holdings II LLC	100.00%	100.00%
Rock Creek Wind Project LLC	Clayton	US	1	USD		Line-by-line	Rock Creek Wind Holdings LLC	100.00%	100.00%
Rock Prairie Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rockhaven Ranchland Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rockhaven Wind Project LLC	Andover	US	1	USD		Line-by-line	Rockhaven Ranchland Holdings LLC	100.00%	100.00%
Rocky Caney Holdings LLC	Oklahoma City	US	1	USD		Equity	Enel Kansas LLC	10.00%	10.00%
Rocky Caney Wind LLC	Albany	US	-	USD		Equity	Rocky Caney Holdings LLC	100.00%	10.00%
Rocky Ridge Wind Project LLC	Oklahoma City	US	-	USD		Equity	Rocky Caney Wind LLC	100.00%	10.00%
Rodnikovskaya WPS	Moscow	RU	6,010,000	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Roha Renewables India Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Rolling Farms Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Rosy Range Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Ruthton Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%

























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
S4ma Developments Spółka z Ograniczoną Odpowiedzialnością	Wrocław	PL	5,000	PLN		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Sacme SA	Buenos Aires	AR	12,000	ARS		Equity	Empresa Distribuidora Sur SA - Edesur	50.00%	29.66%
Saddle House Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Salt Springs Wind Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Salto de San Rafael SL	Seville	ES	462,186	EUR		Equity	Enel Green Power España SLU	50.00%	35.06%
San Francisco de Borja SA	Zaragoza	ES	60,000	EUR		Line-by-line	Enel Green Power España SLU	66.67%	46.74%
San Juan Mesa Wind Project II LLC	Wilmington	US	-	USD		Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
Sanosari Energy Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Santo Rostro Cogeneración SA in liquidation	Seville	ES	207,340	EUR		Equity	Enel Green Power España SLU	45.00%	31.55%
Sardhy Green Hydrogen Srl	Sarroch	IT	10,000	EUR		Equity	Enel Green Power Italia Srl	50.00%	50.00%
Saugus River Energy Storage LLC	Dover	US	100	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Savanna Power Solar 10 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 12 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 13 SLU	Seville	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 4 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 5 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 6 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Savanna Power Solar 9 SLU	Madrid	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Se Služby Inžinierskych Stavieb Sro	Kalná Nad Hronom	SK	200,000	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Seaway Landing Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Seccionadora Almodóvar Renovables SL	Málaga	ES	5,000	EUR		Equity	Enel Green Power España SLU	37.50%	26.29%
Seguidores Solares Planta 2 SLU	Madrid	ES	3,010	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Servizio Elettrico Nazionale SpA	Rome	IT	10,000,000	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Set Carmona 400 kV Renovables SL	Seville	ES	10,000	EUR		Equity	Enel Green Power España SLU	16.00%	11.22%
Setyl Srl	Bergamo	IT	100,000	EUR		Equity	Enel X Italia Srl	27.50%	27.50%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Seven Cowboy PPA LLC	Andover	US	1	USD		Line-by-line	EGP North America PPA LLC	100.00%	100.00%
Seven Cowboy Wind Project Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Seven Cowboy Wind Project II LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Seven Cowboy Wind Project LLC	Andover	US	1	USD		Line-by-line	Seven Cowboy Wind Project Holdings LLC	100.00%	100.00%
Seven Cowboys Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Shark Power 10 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 4 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 5 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 6 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 7 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 8 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power 9 SLU	Madrid	ES	3,000	EUR		Line-by-line	Shark Power SLU	100.00%	70.12%
Shark Power SLU	Madrid	ES	143,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Shepherd Pass Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Shiawassee Wind Project LLC	Wilmington	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Shield Energy Storage Project LLC	Wilmington	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Shikhar Surya (One) Private Limited	Gurugram	IN	340,100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Sicilhy Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
SIET - Società Informazioni Esperienze Termoidrauliche SpA	Piacenza	IT	697,820	EUR		Equity	Enel Innovation Hubs Srl	41.55%	41.55%
Silt Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Silver Dollar Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Silverware Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sinergia EWR4	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Sinergia GP6 Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%


























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Sinergia GP7 Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Sistema Eléctrico de Conexión Valcaire SL	Madrid	ES	175,200	EUR		Equity	Enel Green Power España SLU	28.13%	19.72%
Sistemas Energéticos Mañón Ortigueira SA	Santiago de Compostela	ES	2,007,750	EUR		Line-by-line	Enel Green Power España SLU	96.00%	6731%
Skyview Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Skyview Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
SL Energy SAC	Lima	PE	1,000	SOL		Held for sale	Enel Generación Perú SAA	99.90%	71.55%
							Enel Perú SAC	0.10%	
Sleep Hollow Solar I LLC	Andover	US	1	USD		Line-by-line	Brick Road Solar Holdings LLC	100.00%	100.00%
Slovak Power Holding BV	Amsterdam	NL	25,010,000	EUR		Equity	Enel Produzione SpA	50.00%	50.00%
Slovenské elektrárne - Energetické Služby Sro	Bratislava	SK	4,505,000	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Slovenské elektrárne AS	Bratislava	SK	1,269,295,725	EUR		Equity	Slovak Power Holding BV	66.00%	33.00%
Slovenské elektrárne Česká Republika Sro	Moravská Ostrava	CZ	295,819	CZK		Equity	Slovenské elektrárne AS	100.00%	33.00%
Smoky Hill Holdings II LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Smoky Hills Wind Farm LLC	Topeka	US	-	USD		Line-by-line	EGPNA Project HoldCo 1 LLC	100.00%	100.00%
Smoky Hills Wind Project II LLC	Lenexa	US	-	USD		Line-by-line	EGPNA Project HoldCo 1 LLC	100.00%	100.00%
Snowy Knoll Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Snyder Wind Farm LLC	Hermleigh	US	-	USD		Line-by-line	Texkan Wind LLC	100.00%	100.00%
Socibe Energia SA	Niterói	BR	12,969,032	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Sociedad Agrícola de Cameros Ltda	Santiago de Chile	CL	5,738,046,495	CLP		Line-by-line	Enel Chile SA	5750%	3733%
Sociedad Eólica de Andalucía SA	Seville	ES	4,507,591	EUR		Line-by-line	Enel Green Power España SLU	64.75%	45.40%
Sociedad Eólica el Puntal SL	Seville	ES	1,643,000	EUR		Equity	Enel Green Power España SLU	50.00%	35.06%
Sociedad Eólica Los Lances SA	Seville	ES	2,404,048	EUR		Line-by-line	Enel Green Power España SLU	60.00%	42.07%
Società Elettrica Trigno Srl	Rome	IT	100,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Soetwater Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Equity	Enel Green Power RSA 2 (RF) (Pty) Ltd	55.00%	2750%
Solana Renovables SL	Madrid	ES	6,246	EUR		Equity	Enel Green Power España SLU	39.90%	2797%
Soliloquoy Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%



Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Sona Enerji Üretim Anonim Şirketi	Istanbul	TR	50,000	TRY		Line-by-line	Enel Green Power Turkey Enerji Yatırımları Anonim Şirketi	100.00%	100.00%
Sonak Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Sone Renewable Energy Private Limited	Gurgaon	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Sotavento Galicia SA	Santiago de Compostela	ES	601,000	EUR		Equity	Enel Green Power España SLU	36.00%	25.24%
South Italy Green Hydrogen Srl	Rome	IT	10,000	EUR		Equity	Enel Green Power Italia Srl	50.00%	50.00%
South Rock Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
South Sky Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Southern Star Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Southwest Transmission LLC	Cedar Bluff	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Southwestern Rays Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Spartan Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Spinazzola SPV Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Spring Wheat Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Square Dance Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sreeja Infrastructure Private Limited	Hyderabad	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Stable Brook Storage Project Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Storage Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Stampede Solar Holdings LLC	Andover	US	1	USD		Line-by-line	Enel Green Power Stampede Solar Holdings LLC	100.00%	100.00%
Stampede Solar Project LLC	Andover	US	-	USD		Line-by-line	Fence Post Solar Holdings LLC	100.00%	100.00%
Star Catcher Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Star Energy Single Member PC	Maroussi	GR	63,010	EUR		Equity	Enel Green Power Hellas SA	100.00%	50.00%
Station Tales Solar Limited Partnership	Calgary	CA	100	CAD		Line-by-line	Enel Alberta Solar Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Sterling and Wilson Enel X e-Mobility Private Limited	Mumbai	IN	90,000,000	INR		Equity	Enel X Way Srl	50.00%	50.00%
Stillman Valley Solar LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stillwater Woods Hill Holdings LLC	Wilmington	US	1	USD		Held for sale	Enel Kansas LLC	100.00%	100.00%























Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Stipa Nayaá SA de Cv	Mexico City	MX	1,811,016,347	MXN		Line-by-line	Enel Green Power México S de RL de Cv	55.21%	99.99%
							Enel Green Power Partecipazioni Speciali Srl	44.79%	
Stockyard Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stone Belt Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stonewood Desarrollos SLU	Madrid	ES	4,053,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Storey Plains Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stormy Hills Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Strinestown Solar I LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Suave Energía S de RL de Cv	Mexico City	MX	1,000	MXN		Line-by-line	Enel Green Power México S de RL de Cv	0.10%	100.00%
							Enel Rinnovabile SA de Cv	99.90%	
Sublunary Trading (RF) (Pty) Ltd	Bryanston	ZA	13,750,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	57.00%	57.00%
Sugar Pine Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Suggestion Power Unipessoal Ltda	Paço de Arcos	PT	50,000	EUR		Line-by-line	Endesa Generación Portugal SA	100.00%	70.12%
Suministradora Eléctrica de Cádiz SA	Cádiz	ES	12,020,240	EUR		Equity	Endesa SA	33.50%	23.49%
Suministro de Luz y Fuerza SL	Barcelona	ES	2,800,000	EUR		Line-by-line	Hidroeléctrica de Catalunya SLU	60.00%	42.07%
Summit Energy Storage Inc.	Wilmington	US	1,000	USD		Line-by-line	Enel Green Power North America Inc.	75.00%	75.00%
Sun River LLC	Bend	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Sun Rock Solar Limited Partnership	Calgary	CA	-	CAD		Line-by-line	Enel Alberta Solar Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Sun Up Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sun4 Koryta Spółka z Ograniczoną Odpowiedzialnością	Wrocław	PL	5,750	PLN		Line-by-line	S4ma Developments Spółka z Ograniczoną Odpowiedzialnością	80.00%	80.00%
Sun4 Torzym Spółka z Ograniczoną Odpowiedzialnością	Wrocław	PL	5,750	PLN		Line-by-line	S4ma Developments Spółka z Ograniczoną Odpowiedzialnością	80.00%	80.00%
Sundance Wind Project LLC	Dover	US	100	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sunflower Prairie Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Swather Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sweet Apple Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%





Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
TAE Technologies Inc.	Pauling	US	53,207,936	USD		-	Enel Produzione SpA	1.02%	1.02%
Tasseling Jewel Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tauste Energía Distribuida SL	Zaragoza	ES	60,508	EUR		Line-by-line	Enel Green Power España SLU	51.00%	35.76%
Teal Canoe Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tecnoguat SA	Guatemala City	GT	30,948,000	GTQ		Line-by-line	Enel Colombia SA ESP	75.00%	35.38%
Tejo Energia - Produção e Distribuição de Energia Eléctrica SA	Lisbon	PT	5,025,000	EUR		Equity	Endesa Generación SAU	43.75%	30.68%
Tenedora de Energía Renovable Sol y Viento SAPI de Cv	Mexico City	MX	2,892,643,576	MXN		Equity	Enel Green Power SpA	32.90%	32.90%
Tera Renewables India Private Limited	Gurugram	IN	100,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Termica Colleferro SpA	Bologna	IT	6,100,000	EUR		Equity	Cogenio Srl	60.00%	12.00%
Termoeléctrica José de San Martín SA	Buenos Aires	AR	7,078,298	ARS		-	Enel Generación El Chocón SA	5.60%	3.03%
Termoeléctrica Manuel Belgrano SA	Buenos Aires	AR	7,078,307	ARS		-	Enel Generación El Chocón SA	6.23%	3.37%
Termotec Energía AIE in liquidation	La Pobra de Vallbona	ES	481,000	EUR		Equity	Enel Green Power España SLU	45.00%	31.55%
Terrer Renovables SL	Madrid	ES	5,000	EUR		Equity	Baylio Solar SLU	11.66%	20.73%
							Dehesa de los Guadalupes Solar SLU	8.83%	
							Seguidores Solares Planta 2 SLU	9.08%	
Texas Sage Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Texkan Wind LLC	Andover	US	-	USD		Line-by-line	Enel Texkan Inc.	100.00%	100.00%
Thar Surya 1 Private Limited	Gurgaon	IN	1,127,840	INR		Equity	Avikiran Surya India Private Limited	100.00%	51.00%
Thunder Ranch Wind Holdings I LLC	Dover	US	100	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Thunder Ranch Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Thunder Ranch Wind Project LLC	Dover	US	1	USD		Line-by-line	Thunder Ranch Wind Holdings LLC	100.00%	100.00%
Thunderegg Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Thunderegg Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tico Solar 1 SLU	Zaragoza	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Tico Solar 2 SLU	Zaragoza	ES	3,000	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Tieton Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Tobivox (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	60.00%	60.00%
Toledo PV AIE	Madrid	ES	26,888	EUR		Equity	Enel Green Power España SLU	33.33%	23.37%
Toro Renovables 400 kV SL	Madrid	ES	3,000	EUR		Equity	FRV Zamora Solar 1 SLU	8.28%	5.81%
Torre Palma Energy 1 SLU	Madrid	ES	3,100	EUR		Line-by-line	Enel Green Power España SLU	100.00%	70.12%
Tradewind Energy Inc.	Wilmington	US	1,000	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Trading Post Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Trail Ride Canyon Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Transformadora Almodóvar Renovables SL	Seville	ES	5,000	EUR		Equity	Enel Green Power España SLU	60.53%	42.44%
Transportadora de Energía SA - TESA	Buenos Aires	AR	2,584,473,416	ARS		Held for sale	Enel Argentina SA	0.00%	82.27%
							Enel Brasil SA	60.15%	
							Enel CIEN SA	39.85%	
Transportes y Distribuciones Eléctricas SA in liquidation	Olot	ES	72,121	EUR		Line-by-line	Edistribución Redes Digitales SLU	73.33%	51.42%
Trévago Renovables SL	Madrid	ES	3,000	EUR		Equity	Furatena Solar 1 SLU	1773%	24.89%
							Seguidores Solares Planta 2 SLU	1777%	
Tsar Nicholas LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Tulip Grove Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tumbleweed Flat Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tunga Renewable Energy Private Limited	Gurugram	IN	96,300,000	INR		Line-by-line	Avikiran Energy India Private Limited	100.00%	100.00%
TWE Franklin Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
TWE ROT DA LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Twin Lake Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Twin Saranac Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Tyme Srl	Bergamo	IT	100,000	EUR		Equity	Enel X Italia Srl	50.00%	50.00%
Unión Eléctrica de Canarias Generación SAU	Las Palmas de Gran Canaria	ES	190,171,521	EUR		Line-by-line	Endesa Generación SAU	100.00%	70.12%
Uppington Solar (Pty) Ltd	Johannesburg	ZA	1,000	ZAR		Line-by-line	Enel Green Power South Africa (Pty) Ltd	100.00%	100.00%
Usina Eólica Pedra Pintada A Ltda	Rio de Janeiro	BR	286,427,454	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Eólica Pedra Pintada B Ltda	Rio de Janeiro	BR	135,748,697	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Usina Eólica Pedra Pintada C Ltda	Rio de Janeiro	BR	135,805,024	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Eólica Pedra Pintada D Ltda	Rio de Janeiro	BR	135,653,327	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Eólica Pedra Pintada E Ltda	Rio de Janeiro	BR	653	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Eólica Pedra Pintada F Ltda	Rio de Janeiro	BR	653,327	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Eólica Pedra Pintada G Ltda	Rio de Janeiro	BR	653,327	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 11 Ltda	Rio de Janeiro	BR	249,033,267	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 12 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 13 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 14 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 15 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 16 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 17 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 21 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 22 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 23 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Usina Fotovoltaica Arinos E 24 Ltda	Rio de Janeiro	BR	221,724,006	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
USME ZE SAS	Bogotá	CO	739,653,977	COP		Equity	Bogotá ZE SAS	100.00%	9.44%
Ústav Jaderného Výzkumu Rez AS	Řež	CZ	524,139,000	CZK		-	Slovenské elektrárne AS	27.77%	9.17%
Vayu (Project 1) Private Limited	Gurugram	IN	30,000,000	INR		Line-by-line	Enel Green Power India Private Limited	100.00%	100.00%
Vektör Enerji Üretim Anonim Şirketi	Istanbul	TR	3,500,000	TRY		Line-by-line	Enel SpA	100.00%	100.00%
Velvet Wheat Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Ventos de Santa Ângela Energias Renováveis SA	Rio de Janeiro	BR	7,315,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Ventos de Santa Esperança Energias Renováveis SA	Rio de Janeiro	BR	4,727,414	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Ventos de Santo Orestes Energias Renováveis SA	Rio de Janeiro	BR	1,754,031	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Ventos de São Cirilo Energias Renováveis SA	Rio de Janeiro	BR	2,572,010	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Ventos de São Mário Energias Renováveis SA	Rio de Janeiro	BR	2,492,000	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Ventos de São Roque Energias Renováveis SA	Rio de Janeiro	BR	10,188,722	BRL		Line-by-line	Enel Brasil SA	100.00%	82.27%
Vientos del Altiplano SA de Cv	Mexico City	MX	1,455,854,094	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Villanueva Solar SA de Cv	Mexico City	MX	205,316,027	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Viruleiros SL	Santiago de Compostela	ES	160,000	EUR		Line-by-line	Enel Green Power España SLU	67.00%	46.98%
Viva Labs AS	Oslo	NO	1,250,000	NOK		Line-by-line	Enel X International Srl	100.00%	100.00%
Wagon Train Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Walking Horse Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wapella Bluffs Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Waseca Solar LLC	Waseca	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Waypost Solar Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Weber Energy Storage Project LLC	Wilmington	US	-	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
West Faribault Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
West Waconia Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Western New York Wind Corporation	Albany	US	300	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Western Trails Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wharton-El Campo Solar Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
White Cloud Wind Holdings LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
White Cloud Wind Project LLC	Andover	US	1	USD		Line-by-line	White Cloud Wind Holdings LLC	100.00%	100.00%
White Peaks Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Whitetail Trails Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Whitney Hill Wind Power Holdings LLC	Andover	US	99	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Whitney Hill Wind Power LLC	Andover	US	-	USD		Line-by-line	Whitney Hill Wind Power Holdings LLC	100.00%	100.00%
Whittle's Ferry Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Wild Ox Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wild Run LP	Alberta	CA	10	CAD		Line-by-line	Enel Alberta Wind Inc.	0.10%	100.00%
							Enel Green Power Canada Inc.	99.90%	
Wild Six Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wildcat Flats Wind Project LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Wilderness Range Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wildflower Flats Battery Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wildflower Flats Solar Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Wind Belt Transco LLC	Andover	US	1	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Wind Parks Anatolis - Prinias Single Member SA	Maroussi	GR	15,803,388	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Katharas Single Member SA	Maroussi	GR	19,932,048	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Kerasias Single Member SA	Maroussi	GR	26,107,790	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Milias Single Member SA	Maroussi	GR	19,909,374	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Mitikas Single Member SA	Maroussi	GR	22,268,039	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Platanos Single Member SA	Maroussi	GR	13,342,867	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Wind Parks Spilias Single Member SA	Maroussi	GR	28,267,490	EUR		Equity	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	50.00%
Windbreaker Storage Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Winter's Spawn LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Wkn Basilicata Development PE1 Srl	Rome	IT	10,000	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Woods Hill Solar LLC	Wilmington	US	-	USD		Held for sale	Stillwater Woods Hill Holdings LLC	100.00%	100.00%
X-bus Italia Srl	Milan	IT	15,000	EUR		Equity	Enel X Italia Srl	20.00%	20.00%
Yacylec SA	Buenos Aires	AR	20,000,000	ARS		Held for sale	Enel Américas SA	33.33%	2742%
Yedesa Cogeneración SA in liquidation	Almería	ES	234,395	EUR		Equity	Enel Green Power España SLU	40.00%	28.05%

Company name	Headquarters	Country	Share capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Yellow Rose Wind Project LLC	Andover	US	1	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Yorktown Energy Storage 1 LLC	Boston	US	-	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Zacapa Topco Sàrl	Luxembourg	LU	29,970,000	EUR		-	Enel X International Srl	19.50%	19.50%
Zoo Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

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